



Brighton

City Council Study Session

Tuesday, February 25, 2014

5:30 p.m.

City Hall 6th Floor Study Session Room

**Dinner Provided :
BBQ Sandwiches**

**Approx.
Time**

ITEMS

Representative

Mayor

Richard N. McLean

Mayor Pro-Tem

Kirby Wallin

Council Members

Ward I

Joan Kniss

Ward II

Rex Bell

Cynthia A. Martinez

Ward III

Lynn Baca

Ken Kreutzer

Ward IV

J.W. Edwards

Mark Humbert

5:30 Board and Commission Interviews: Brighton Urban Renewal
Authority and Lodging Tax

Pledge of Allegiance to the American Flag

6:00 Senator Mary Hodge

Representative Lori Saine

6:45 **POLICY ITEMS**

STUDY SESSION ITEMS

7:00 Oil and Gas Presentations

A. State Oil and Gas Commission
B. Colorado Oil and Gas Association

Marv Falconburg

8:00 Cemetery Management Plan

Gary Wardle

8:45 2013 Re-Budgets

Bernadette Kimmey

9:00 Budget Amendments

Dan Frelund

9:15 Brine Treatment Design Change Order

Dennis Crock

9:45 **ADMINISTRATIVE ITEMS**

Public Information Office Update

EXECUTIVE SESSION

500 South 4th Avenue
Brighton, CO 80601
303-655-2056
nhoel@brightonco.gov

*The City of Brighton's purpose is to provide essential services and progressive leadership to
enhance the quality of life for the community.*

Department of Parks and Recreation

Reference: Review of Cemetery Management Plan

To: Mayor Richard N. McLean and Members of City Council
Through: Manuel Esquibel, City Manager

☐ Attorney Reviewed: _____ ☐ Regular Council Agenda Date: _____
☐ Finance Reviewed: _____ ☐ Resolution / Ordinance # _____
☐ Publication Dates: _____

Prepared By: Gary Wardle, Director of Parks and Recreation

Date Prepared: February 18, 2014

PURPOSE

City Council Review of the Cemetery Management Plan

BACKGROUND

In 2013 the City Contracted with Cemetery Planning Resource Alliance (CPRA) to review the current management of the Cemetery Operation in the City of Brighton.

The City currently operates three cemeteries, Elmwood, Fairview, and Pioneer Cemetery. Elmwood and Fairview are active cemeteries. Pioneer Cemetery is a historic Cemetery and is inactive. The City provided 138 burials in 2013 with 38 % of the burials as cremations. The number of cremations is increasing each year.

The Cemetery Division has four full time regular employees; One Cemetery Manager, two Cemetery Maintenance workers, and one Administrative Assistant. We also use three Trustees from Adams County Detentions facility. These persons provide the labor to assist with burials and mowing operations.

The goal of the Cemetery Management Plan is to provide options to increase revenue at the Cemeteries in an effort to operate the Cemetery as an Enterprise Fund. Currently the City subsidizes the Cemetery operation costs approximately 20%. To have a true Enterprise Fund the City can only subsidize the Cemetery operation less than 10 Percent.

Attached is the Management Plan prepared by CPRA for City Council Review. Justin Whatley with CPRA will present the plan at the Study Session.

To increase Revenues at the Cemetery one of the proposal is to use some of the Perpetual Care Fund interest to develop Cremation gardens for both Elmwood and Fairview Cemetery. I would request City Council consider beginning the design process this year using these funds.

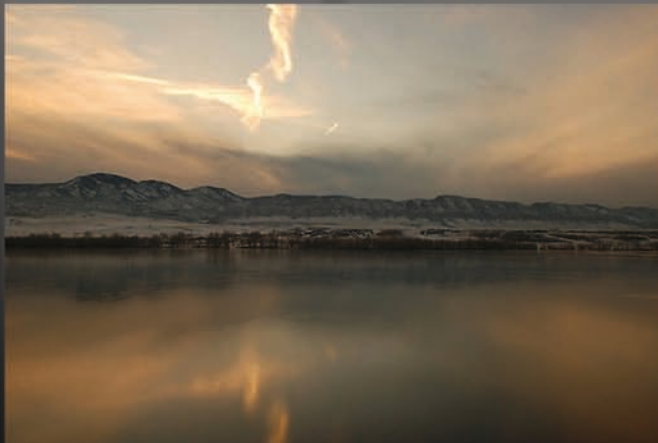
management plan

City of Brighton Cemetery Division
Brighton, Colorado

February 25, 2014

PRIVILEGED & CONFIDENTIAL

Prepared for: City of Brighton
Prepared by: CPRA



cemetery planning
resource alliance

1.866.733.CPRA



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The Administrative Office for all three cemetery operations is located at:

Elmwood Cemetery
14800 Old Brighton Road
Brighton, CO 80601

Mailing address: 500 South 4th Avenue, Brighton, CO 80601

Phone: (303) 655-2090

Fax: (303) 655-3786

Hours: 7:30 a.m. to 4:30 p.m. November to April

8:00 a.m. to 5:00 p.m. May to October

The Cemetery Office can assist you in the following services:

Full Burials
Cremain Burials
Columbarium
Burial Plot Sales

Cemetery Office Staff:

Gary Wardle, Director

Aaron Corr, Cemetery Manager - (303) 655-2060

Patsy Gottbehuet, Administrative Assistant - (303) 655-2090

Neal Nahler, Former Cemetery Manager – Information Provider



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I. Executive Summary

CPRA Studio would like to commend the City of Brighton for embarking on a mission to bring its cemetery division up to date with today's standards. There are many cemeteries throughout the state and the country for that matter that fail to recognize when it is time for assessment.

Over the course of four months, CPRA has engaged the cemetery division to discuss and analyze operational, sales and financial conditions of the cemetery program. CPRA offered professional guidance toward developing approaches to enhance and bring the cemetery division to prosperity.

The analysis of the cemetery operations, sales and financial information has led CPRA to the conclusion that the City of Brighton may operate this division independently without any additional funding. Of course this solution will be gradual over time but will be self-sufficient in due time. We have engaged key cemetery staff in obtaining all necessary and relevant information to make the recommendations in the following report.

Many businesses must make the sacrifice to invest in their program in order to obtain a higher level of return. The City of Brighton will be no exception, however if they follow the prescribed course of action, they will no doubt gain a higher level of accountability and the necessary funds to run their operations on an independent budget. The overall goal of this exercise is to give the City direction necessary to make the cemetery division self-sufficient. With professional guidance, measurable returns on capital investments and calculated sales and marketing approach, CPRA feels confident in making this goal a reality for the City.

CPRA looks forward to the review of these processes with the City and subsequent discussion these will generate.

II. Overview

A. The Project

- 1) The City of Brighton has engaged CPRA to develop guidance for the ongoing operations of its cemeteries. The task is to look at business and management related dynamics of this operation. CPRA understands the issues the cemeteries are facing because they are not unique to the City of Brighton. Many cemeteries across the country face the same situations every day. These include but are not limited to declining market share, poor market presence, inaccurate pricing structures, lack of proper maintenance, dated policies and procedures, lack of funding for new development projects, inconsistent burial tracking and mapping, challenging site conditions and lack of sustainability. Through this process we have developed recommendations to meet these challenges head on.

B. Brighton Cemetery Background

- 1) The City of Brighton is fortunate to have properties rich in the City's heritage. The Elmwood, Fairview and Pioneer properties have been a fixture of the Brighton community since its inception in 1896.

Having taken over Elmwood in the early 1950's and Fairview in the late 1990's, the properties inherited some legacy benefactors. Those who had worked at the Fairview property will have highly reduced or even no cost burial plots. CPRA understands these are reaching their end and less than 55 of these legacy person's

remain. The properties will have to incur these costs and they must be accounted for in the future. Some other issues inherited in this exchange are incomplete records, indigent burials and incomplete records of plot locations. As expansion of Fairview specifically takes place, these will need to be addressed. CPRA understands that the cemeteries have enlisted the services of a local university to utilize ground penetrating radar to mark and record these sites.

C. Marketing

- 1) The current marketing strategy for the Brighton cemeteries is non-existing. The only marketing that takes place is that material that is required by law to be published in the local newspaper, most specifically price increases. There is also minimal exposure at the annual public fair.

D. Fees

- 1) The Current rate structure for a Brighton adult burial current need ranges from \$2,405 (resident) to \$3,069 (non-resident). The range of a pre-need adult burial ranges from \$1,174 (resident) to \$1,452 (non-resident).
- 2) Infant burials are listed at \$625 current need (resident) and range to \$860 (non-resident).
- 3) Cremation columbarium niche burials range from \$1,450 to \$1,692 based on current need and residency. The cost for pre-need cremation columbarium niche ranges from \$1,141 to \$999 (noted in the published pricing for Elmwood the Non-Resident pre-need pricing is lower than the resident pricing).
- 4) Cremation burials range from \$1,088 resident, to \$1,422 non-resident. The pricing for pre-need resident ranges from \$598 to \$737 non-resident.
- 5) Cremation Rock burials range from \$1,140 to \$1,470 based on residency and need. Nature stone cremation burials range from \$1,275 to \$1,430 based on residency and need.
- 6) The graveside burials range from \$394 to \$891 pending factors of day, time, and residency.

After evaluating prices of competitors in the marketplace, the City of Brighton is on or near same costs. What it is lacking is product diversity and burial diversity.

E. Finance

- 1) It is clear one critical component of the following exercises is to lighten the burden on the City of Brighton as it relates to supplemental funding for the cemetery division. Since the fiscal year 2007, the City of Brighton has averaged supplementation of the cemetery division \$47,757. The goal of this project is over time to alleviate the supplemental burden on the City and help the cemetery division generate excess in order to fund future projects. These future projects will help the cemetery division become profitable and with appropriate planning become its own profit center. The investment income listed in the financial disclosures represents an extremely small return on investment. CPRA was not provided with the investment strategies, however will supply investment ideology to help strengthen those returns.

F. Perpetual Care Fund (PCF)

- 1) The cemetery division has made significant strides over the course of the last ten years to boost its perpetual care fund. In discovery, CPRA was made aware that the PCF is at or near one million dollars. CPRA was not privy to the investment strategy of these funds but will offer some strategy to help strengthen returns on the City's substantial holdings. CPRA would like to commend the City for bolstering their PCF to the level it is currently at and with the right strategy will continue to fortify for years to come.

III. Existing Operations

A. CPRA Observations and First Impressions

- 1) CPRA has met with the internal staff on four separate occasions to gain a greater understanding of the overall operations. There are several areas of operations that the division is doing extremely well and there are some deficiencies which will be outlined accordingly. The staff is passionate about their work and will do whatever it takes to make the project a success. They were knowledgeable about existing operations. In addition they added insight to future successes and were at the ready to make these changes possible.

The areas of concern are lack of marketing and public education, no adoption of technology and a small sales presence (if any) to help families and grow the business the cemetery has established. The City has a foundation of well-kept cemeteries, but has lacked any foresight to capitalize on the natural resources it has at its disposal.

Of the three cemeteries, Pioneer is the one that is in least need of active management. Elmwood and Fairview require more attention and funding.

B. Staffing

- 1) The full staff compliment assigned to the Cemetery Division of the Parks and Recreation Department is 4.0 full-time employees (FTE) plus 1.0 seasonal employee (SE). There are currently 3.0 FTE staff members and 1.0 SE on staff employed. The full time positions are as follows:
 - a) Cemetery Manager (Neal Nahler) Open as of Sept. 20, 2013
 - b) Administrative Assistant II (Patsy Gottbehuett)
 - c) Maintenance Worker II (Randy Wegner)
 - d) Maintenance Worker I (--- unfilled ---)
- 2) The assigned number represents a minimum number of employees in comparison to similar sized facilities, and the actual filled number is less than the full compliment.
- 3) According to Brighton, there are several drawbacks associated with this situation:
 - a) Staff numbers do not allow all needed cemetery maintenance tasks and activities to be completed in a timely manner. Some tasks are postponed or not addressed as promptly or fully as they have been in the past, causing a growing backlog list of work to be addressed.

- b) Current pay for seasonal employees is low and no benefits are offered to seasonal employees. This situation does not attract experienced, well-trained candidates for the available positions.
- 4) Miscellaneous
 - a) Training
 - i. There is \$1,000 budget for staff training.
 - ii. Because of the small staff size, training is difficult to schedule and attend.
- 5) Full-Time Seasonal, Temporary, and Other Staff
 - a) Seasonal and Part-Time
 - i. A 1.0 SE position is currently assigned to the Division, and typically works from March through October. This is a non-skilled or semi-skilled position that requires a high school diploma or GED, and a Colorado Driver's License.
 - ii. The compensation for this position is \$13/hour and does not include benefits. Because of this, the Division is unable to attract well-qualified staff to fill the position.
 - iii. NOTE: As of 8.5.2013, the current staff person in this position has resigned and will take another job with the City of Brighton starting on 8.12.2013. The position is currently being advertised.
- 6) Other Staff
 - a) The Division regularly supplements their staff through the Trustee/ Work Release Program at the Adams County Detention Facility. This arrangement typically involves using three unskilled workers to perform basic maintenance tasks.
 - b) Though this labor comes at no cost, it does take time away from the full time cemetery staff to pick up and drop off the trustees (2 hours per day), and supervise them closely when they are on the job. The primary jobs trustees perform are limited to weed trimming, general clean up, and other non-skilled activities. They are not allowed to operate any other equipment.
 - c) Because the workers rotate out of their detention times, there tends to be a constant rotation of workers causes continual training or direction to have to be provided to keep them productive. When trustees are released, there can be a several day lag in getting a replacement worker. Tasks that they perform can fall behind when this happens.
 - d) The Cemetery Division staff is responsible for all three Brighton cemeteries.

The staff is based out of facilities at the Elmwood Cemetery property, with employees, equipment and materials transported to Fairview Cemetery as needed.

C. Products and Services Offered

- 1) Merchandise
 - a) The type of cemetery merchandise currently available is limited. This situation could be expanded and improved to offer more types of options and price points to families, and to generate additional revenues.

- b) The existing merchandise types are as follow:
- i. Casket grave plots.
 - With the exception of placing vaults sold by local funeral homes, and placed by Wilbert Vault, the cemetery staff currently does all other work need to complete burials.
 - The only burial vaults allowed to be placed are top seal polyurethane models, available from Wilbert or Doric, or the “Monticello” model available from Wilbert.
 - Vaults are placed by staff as part of the no-cost burials for the “members” at Fairview Cemetery.
 - Monuments are sold by the monument companies, with orders placed and fees paid to the cemetery.
 - Monument bases are not placed until graves are paid for.
 - Military markers must be ordered by the families or monument companies, not by the cemetery staff.
 - ii. Cremation inurnments in grave plots.
 - Cremation burial in grave plots is offered at both Elmwood and Fairview Cemeteries, while cremation niches are only available at Elmwood. Cremation burials are allowed in all casket plots, per the following:
 - a. Two sets of cremains are allowed with one casket.
 - b. Up to four sets of cremains are allowed without a casket.
 - Section 14B at Elmwood is reserved for plots for cremation burials only. Cremation plots in this section are 3’ x 2’ in size, with one inurnment allowed per plot.
 - There is no cremation-only section at Fairview.
 - Urn vaults are not required for burial of cremains in grave plots.
 - Only flat grass (flush) markers are allowed.
 - iii. Cremation niches.
 - Cremation niches are sold in both pre-need and at-need arrangements, and are subject to the merchandise that is available.
 - Niche Columbarium #1, on the east side, is sold out. Niche Columbarium #2, on the west is approximately 75% sold out.
 - Bronze plaques, as offered by Elmwood Cemetery, are the only covers allowed on the niches. Opening and closing fees are assessed at the time of need.
 - Niches are sold as singles or doubles. Each niche contains two cubicles, and each cubicle represents one space.
 - Each niche is 12”W x 12”T x 10 ½” D, and urn sizes are limited accordingly.
 - iv. Cremation boulders.
 - Cremation boulders are sold for placement in garden areas at the corners of Section 27 at Elmwood.

- Cremation boulders can be for either single or companion inurnment, and come with bronze plaques.
- Bronze plaques must be purchased as part of the initial sale.
- c) Grave plot sales are currently made in a “one-up” pattern, whereby families are offered the next graves in line in a single section at both Elmwood and Fairview cemeteries.

D. Perpetual Care Funds (PCF)

- 1) Brighton has done an admirable job in developing the perpetual care fund. The rate of return on these funds however is not substantial. There are ways to utilize these funds to generate a greater return by making an improvement loan to itself to fund higher return merchandise and sites.

E. Competition

- 1) The death care industry in the United States is a \$20 billion per year industry. There are approximately 23,000 funeral homes, 100,000 cemeteries and over 700 casket stores across the country. The industry includes:
 - a) Mortuaries
 - b) Cemeteries
 - c) Cremation Facilities
 - d) Casket Manufacturers
 - e) Memorial Manufacturers
 - f) Funeral/Cemetery Suppliers and Vendors
- 2) Some of these cemeteries offer one stop shopping to the customers. These cemeteries are offering product and service for their needs. This creates a captive consumer when they need this the most. It also provides marketing opportunities for future pre-need sales.
- 3) Operations that attract customers from your service area include:
 - a) Loveland Burial Park and Lakeside Cemetery
 - b) Longmont Cemetery
 - c) Olinger Highland Cemetery
 - d) Hillside Cemetery

F. Maintenance Operations

- 1) Operations Equipment
 - a) The Division maintains a wide range of equipment to support their Operations and Maintenance tasks. For the most part, the Division has the equipment it needs to perform all operations and maintenance tasks.
 - b) The majority of this equipment is kept in the two shops and compounds at Elmwood Cemetery, with some housed in the shop at Fairview Cemetery.
 - c) As needed, additional operations or maintenance equipment can be transported to Fairview Cemetery in trucks or on a utility trailer.
 - d) Cemetery operations equipment includes:
 - i. Bobcat 335 Mini Excavator.

- ii. One 1-ton dump truck w/ trailer for mini-excavator (stored elsewhere); truck is the primary soil hauler for the cemeteries.
- iii. Two pickup trucks.
- iv. Three John Deere “Gator” utility vehicles; one regular duty and one heavy duty model able to carry soil from tight burial locations at Elmwood, and one regular duty.
- v. Trench box (for digging double depth graves)
- vi. Track pads.
- vii. Cement mixer and concrete forms for pouring monument bases.

2) Service and event-related equipment includes:

- a) Grave Heaters
- b) Three lowering devices (two at Elmwood; one at Fairview).
- c) Movable committal shelters for services.
- d) Cemetery signage (used for large visitation days and events).
- e) AV equipment for use during services.

3) Maintenance Equipment

a) Other equipment and materials stored in the building includes:

- i. One John Deere 4520 tractor.
- ii. One John Deere 750 tractor.
- iii. A variety of commercial riding mowers.
- iv. One passenger van for transportation of trustee workers and for other uses.
- v. Hand mowers, line trimmers, and other miscellaneous equipment.
- vi. Spray tank and associated equipment.
- vii. Leaf sweeper and blowers.
- viii. One water tank.
- ix. Hand tools.
- x. Plows for snow removal operations.
- xi. Irrigation parts and equipment.
- xii. Irrigation parts.
- xiii. Horticultural products.
- xiv. Ice melt.
- xv. Miscellaneous other tools and safety equipment.

4) Operations and Maintenance Activities

- a) The base of operations and maintenance for both Brighton Cemeteries is located in the shop and office building on the Elmwood Cemetery.
- b) The majority of maintenance and operations equipment, products, and materials are stored there and as, needed, transported to Fairview Cemetery using trucks and/or a utility trailer.

5) Routine Maintenance

- a) Cemetery staff performs all routine landscape and grounds maintenance tasks on the two primary properties. This is currently done with their two full-time and

one part-time employees, and the 2-3 trustees from the Adams County Detention Center.

- b) Routine tasks performed include the following:
 - i. Mowing.
 - ii. Trimming and edging.
 - iii. Light tree pruning.
 - iv. Irrigation.
 - v. Trash collection and general site cleaning.
 - vi. Fertilizer and horticultural chemical application.
- 6) Seasonal Maintenance
 - a) Seasonal maintenance tasks include the following:
 - i. Irrigation startup.
 - ii. Spring cleanup.
 - iii. Special maintenance and setup for Memorial Day.
 - iv. Fall leaf collection.
 - v. Fall cleanup.
 - vi. Winterization of irrigation systems.
 - vii. Special maintenance and setup for Veteran's Day.
 - viii. Snow removal.
- 7) Other Maintenance Work Performed by Staff
 - a) Cemetery staff is tasked with assisting the Brighton Parks and Recreation staff with snow removal in the winter.
 - b) All park and recreation routes are cleared first, ahead of those in the cemetery, unless there is a service scheduled.
- 8) Maintenance Performed by Others
 - a) Maintenance tasks performed by others include the following:
 - i. Arborist tree care.
 - ii. Horticultural chemical application.

IV. Similar Operations

To understand what some of the possible solutions might be for the liabilities that were identified, this section offers a look at maintenance, operations and sales/marketing of other municipal cemetery operations.

This examination offers a comparison to Brighton's operations today and a forecast of what Brighton may incorporate in the future.

A. Cemetery Organizational Structure

- 1) Add

B. Maintenance

- 1) Cemetery managers handle maintenance in one of two ways:
 - a) In-house staff, equipment, and materials to accomplish assigned tasks. This was the preferred method for many years until recently.

- b) Contract agreements with private companies to supply all staff, equipment, and materials to perform all maintenance duties required. This method has become more popular in recent years.
- c) The ultimate decision on which method to use is most always a financial one, comparing total in-house costs (including staff salaries, benefits, equipment purchase, and maintenance, and material costs) to an all-inclusive Contractor fee. Often cemetery managers utilize a combination of in-house and contracted services. For example, they can assign routine or weekly duties, such as mowing and line trimming, to in-house crews. They can contract other specialty seasonal work, such as fertilizer/herbicide applications and tree pruning, to private contractors.

C. Operations

- 1) While in-house staff conducts cemetery burial operations for more control over records accuracy, site security, and quality assurance reasons, some municipalities do retain contracted services for these duties. A combination of assignments is also common practice. In-house staff often performs critical grave openings and closings, while private companies provide and install vaults, provide equipment, and conduct setups needed for the burial services. In almost all cases, cemetery staff communicates with the family, coordinate burials and memorial products, and carry out any post-burial reviews.

D. Sales/Marketing

- 1) Municipal cemeteries typically handle sales and marketing efforts exclusively by in-house staff. Sales duties typically include answering questions by phone, meeting with families to discuss types, location, and price of available merchandise and coordinating final selections on the cemetery grounds themselves. Once a selection is made, staff can explain payment arrangements with families, and they may coordinate various service arrangements for an at-need purchase. Sales staff numbers can range from a single person at a small single property with limited sales up to a few staff depending on the number of cemetery properties and number of annual sales. For simple marketing efforts, in-house staff can produce brochures and price lists as well as maintain web-based pages offering information about the property and burial or cremation options available. If they need more complex graphics or desire a complete marketing package, they may secure contract services to assist in these efforts.

V. Existing Properties

A. Elmwood

- 1) Elmwood Cemetery is located on flat ground in the southern portion of Brighton, at 14800 Old Brighton Road.
- 2) The existing size of the cemetery is approximately 45 acres in size and is divided into 30 burial sections.

3) Developed Areas and Merchandise

- a) Elmwood has made 808 casket burials over the last 10 years for an average of 80.8 per year. The highest number was 117 in 2003, and the lowest was 62 in 2012.
- b) Elmwood has made 286 cremation burials and inurnments over the last 10 years, for an average of 28.6 per year. The high was 43 in 2006, and the low was 7 in 2003.
- c) The only active section in which casket graves are currently being sold is Section 27. All other sections are sold out.
- d) At the time of this writing, sales were currently being made in Block 111 of Section 27; there are 383 blocks in the section.
- e) The majority containing 8 graves each. Some blocks located along the ends contain fewer than 8 graves.
- f) Some limited burials are still being conducted in graves sold previously in other sections, such as Section 26.
- g) Cremation burial is allowed in all casket graves.
- h) A cremation only burial area is located in Section 14B. These plots are 3' x 2' in size and can accommodate one inurnment only. No urn vaults are required in this section. Cored cremation boulder areas are located on the four corners of Section 27. These areas can accommodate 4-5 boulders, but are not delineated in terms of specific sizes.
- i) An area has been designated in Section 5 for the burial of infants.
- j) Cremation niche sales are currently being made in the west columbarium unit located east of the office/shop building. The east columbarium is completely sold out and the west unit is approximately 75% sold out.
- k) An additional matching columbarium unit is being considered for placement in a north-south alignment between the two existing, with possible shorter units being placed in between those in the future.
- l) CPRA noted that there was \$80,000 allocated in the 2014 budget for the planning, design, and construction of a new cremation garden development. Staff noted that it would be for the area proposed CPRA concepts prepared previously.
- m) A moveable shelter is available for use for grave side services.

4) Other Site Improvements

- a) A Veterans Memorial has been established east of the cremation columbarium area. This element was designed and built in conjunction with the local chapter of the VFW, and contains a walk and plaza, and upright markers and flags for each of the branches of the service around the back of the memorial. A Colorado and American flag, commemorative markers, and benches are located to the front.
- b) No veteran burials are associated with this memorial.

5) Undeveloped Areas

- a) The parcel of land located south of the developed sections is owned by the City of Brighton and can provide additional space for cemetery expansion when needed.
 - b) This parcel is approximately 17.0 acres +/- in size, has a well located on the southern edge of the property, and is currently leased to a local farmer.
 - c) NN noted that Section 27 was approximately 5.0 acres in size and yielded approximately 3600 graves. Given this layout, and with the overall total area reduced to 75% to accommodate needed roads and other site improvements, the remaining land could provide approximately 42,000 – 44,000 additional graves in a similar alignment.
 - d) Opportunities exist to develop this parcel in such a way as to add new types of merchandise, such as premium location graves, larger estate plots, and integral cremation gardens as section features.
 - e) The undeveloped parcel of land located north and west of the office/shop building is being considered for the development of a new phased cremation garden.
- 6) Office and Main Shop Building
- a) This facility is the primary Cemetery building and point of contact for the public. It houses the administrative offices, staff spaces, and the primary shop.
 - b) Offices are provided for the Cemetery Manager/Sexton and the Administrative Assistant, with the front space being the point of contact with the public coming to make arrangements or stopping to ask questions.
 - c) The large shop is used to store equipment and materials, and is accessed through two garage door/bays on the south side and one on the east.
 - d) Cemetery equipment is stored in or associated building includes:
 - e) Other small power tools, signs, AV equipment, and assorted other service and event-related equipment and materials are stored in the building.
 - f) Adjacent Exterior Areas:
 - i. A garbage dumpster and enclosure is located on the east side of the building.
 - ii. A temporary storage area for mementos removed from graves is located on the north east corner of the building.
- 7) Secondary Shop Building / Compound
- a) A second maintenance and operations facility is located at the end of Section 14. It houses the one large storage building and a series of smaller ones, and outdoor storage for equipment and materials.
 - b) The large building is used to house the larger riding mowers, cement mixer, sprayer implement, two grave compactors, and other maintenance and operations equipment, and assorted irrigation parts. The cemetery uses Rainbird brand parts and equipment.

- c) The smaller buildings are used to house assorted equipment and materials used in maintenance and operations activities, and one of the four well pumps on the property. This well is not active.
- d) A variety of maintenance and operations equipment is stored within the shop and adjacent compound.
- e) The compound also is used to house the equipment and materials needed for the concrete marker bases, section marker and circulation bollards, and tree rings that are fabricated and installed by staff. Marker bases are made in widths of 8', 7', 6', 5', and 4'.

B. Fairview Cemetery

- 1) Fairview Cemetery is located on high ground in northeast Brighton, at 102 N. Telluride.
- 2) Fairview Cemetery was founded in 1941 by a Catholic non-profit organization for the Hispanic community, and has been owned and operated by the City of Brighton since January 1998.
- 3) Including the recently added 1.3 acre parcel located on the west side of the property, the total existing size of the cemetery is approximately 7.5 acres, and is divided into 16 sections.
- 4) Developed Areas and Merchandise
 - a) Fairview has made 140 casket burials over the last 10 years for an average of 10.0 per year. The highest number was 19 in 2012, and the lowest was 6 in 2007.
 - b) Fairview has made 30 cremation burials over the last 10 years, for an average of 3.0 per year. The high was 5 in 2010 and the low was 0 in 2007.
 - c) Sales are currently being made in Section 15; there are 16 sections in the existing cemetery, with the majority containing 8 graves each. Some blocks contain fewer.
 - d) Similar to the system employed in Elmwood Cemetery, the "one-up" burial sales method is used at Fairview Cemetery as well.
 - e) The majority of graves in the older sections of the cemetery face north-south, though one small block near the shop faces east, and one faces southeast. Graves in the newer sections, including Sections 15 and 16, face east.
 - f) Former Fairview Cemetery Association Members and Non-Members.
 - g) Brighton Cemeteries is responsible for providing burial services for approximately 55 former Fairview Cemetery Association members and non-members. These services include the following:
 - i. Members: The entire cost of burials has been paid and must be provided. This includes the plot, perpetual care fees, open and closing costs, a vault, and vault lowering. All services are provided to members at no cost.
 - ii. Non-Members: Plots have been paid for, but not open and closing costs, all or a portion of the perpetual care fees, and vault lowering. All services

are provided to at cost, depending on what payments remains to be made.

- h) The only active section in which graves are currently being sold is Section 15. Section 16 remains for sale at some point in the future, as do Sections 17, 18, and 19, and other areas to be developed per the 2010 Master Plan.
 - i) Because of the agreement made with former volunteers, 55+/- graves need to be provided for free burials in the future.
 - j) The northeast corner of the cemetery contains a number of indigent graves buried by the previous owners. Many of these graves are unmarked and will require confirmation prior to further development of this part of the cemetery.
 - k) There is currently no space remaining for public assistance burials.
 - l) There is currently no area designated for burials of infants at Fairview Cemetery, but one was proposed in the 2010 Master Plan.
 - m) A surplus soil pile is located in the southeastern corner of the property.
 - n) A movable hard tent is available for services.
- 5) Undeveloped Areas
- a) The undeveloped area located between the new shop/office building and parking lot to the west is being considered for a cremation garden. No plans have been developed to date.
 - b) The City has recently purchased the 1.3 acre parcel immediately to the west of the cemetery. This area was proposed for additional grave plots and possible cremation niche walls in the 2010 Master Plan.
- 6) 2010 Master Plan
- a) A Cemetery Master Plan was prepared for the property in 2010. This plan quantified the various types and numbers of existing graves and proposed possible new merchandise types and areas, as follows:
 - b) Existing Merchandise:
 - i. 905 Full Casket Grave Plots
 - ii. 675 In-Ground Cremation Burial Plots
 - iii. 84 Infant Grave Plots
 - iv. 40 Public Assistance Grave Plots
 - v. Some existing areas were identified for possible re-designation as premium plots because of favorable distant views.
 - c) Expansion Merchandise:
 - i. 348 Full Casket Grave Plots
 - ii. Several areas were identified for possible future development of cremation niche walls and premium areas for casket burial.
- 7) Shop Building
- a) The new shop/office building and road improvements/parking was constructed in 2012.
 - b) There is no phone or computer in the office.
 - c) This building is used to store equipment and assorted tools and materials needed for operations and maintenance, though much of the equipment and

needed products are transported from Elmwood Cemetery on an as-needed basis. This includes the mini excavator and dump truck for removal of soil from digging graves.

8) Adjacent Areas

- a) The cemetery is bounded on the east by private residential property, on the south by a church property, on the west by a small vacant parcel, and on the north by the detention basis for an adjacent residential subdivision.

C. Pioneer Cemetery

- 1) The cemetery is approximately ¼ acre in size and is located approximately one half mile west of the Elmwood Cemetery, off of East 148th Avenue.
- 2) The cemetery contains 16 graves of the Blundell and Donelson families, two of the pioneer families settling in the Brighton area.
- 3) Because of previous vandalism, the cemetery is enclosed with an 8-foot tall ornamental metal fence.
- 4) Access to the cemetery from East 184th Avenue is by easement across the farm field to the east.
- 5) Property and Merchandise
 - a) The Pioneer Cemetery is currently not available for additional burials.
 - b) A limited amount of additional space does exist within the fenced compound that could be used for burials, such as possible premium history-related sales.
- 6) The majority of markers are stone dating from the 1800's, but some are made of wood, and have been vandalized.
- 7) According to a third-party historic cemetery site, no other family members plan on using this cemetery for interments.
- 8) Adjacent Areas
 - a) The cemetery is bounded on the east by a productive farm field, on the south and west by an undeveloped grassed field, and on the north by a residential subdivision.

VI. SWOT Analysis and Existing Liabilities

A. Strengths

- 1) Brighton's cemetery division has strengths in which it needs to build upon. The natural beauty of the cemeteries is evident and must be exploited. Utilizing premium areas and building additional facilities to add additional merchandise and common areas to continue to drive traffic to the cemeteries.
- 2) An additional strength of the cemetery division is its self-awareness. Understanding the industry is moving forward and grasping the idea of moving forward with it is a definitive strength.
- 3) Operations staff has done an admirable job in maintaining the facilities with the limited numbers they have to work with.
- 4) Lastly the cemetery division has built a substantial perpetual care fund. These funds are there for the future endowment of the cemeteries. This fund will help grow

each of the cemeteries by utilizing sound investment strategies with portions of this fund. It is the single greatest asset the division maintains.

B. Weaknesses

- 1) Limited staff has hampered the development of future need families and has hindered the sales process. This has limited the development of inventory, staff and merchandise. Without an advocate in the community, there are fewer chances to reach the consumer and continue to drive traffic to the cemeteries.
- 2) Merchandise availability to the consumer. This process can already be daunting for any family, and then they have to go source their own merchandise, this can be frustrating. There is limited merchandise available and needs to be addressed.
- 3) Real estate options are at issue as the cemetery only offers next in line plots. This is a disadvantage to both the consumer and the cemetery. It limits the revenue that could be made on appropriate pieces of real estate.

C. Opportunities

- 1) Strengthen the staff with the addition of a sales person (community advocate) that will provide consistent marketing in the community.
- 2) Addition of merchandise for the consumer to choose from. This can be done through catalogues in which the cemetery's themselves do not have to carry these samples on hand. There can be significant improvement simply by adding a library of merchandise in which to choose.
 - a) Note, there may be additional merchandise Brighton wishes to consider that may be ancillary revenue opportunities, such as glass additions to monuments, cremation boxes and urns, etc.
- 3) Premium real estate opportunities for families are an opportunity which must be exploited. There are families that do not or will not subscribe to the next in line strategy. They would still like the opportunity to be buried with their family. There is significant opportunity to sell plots in the good, better best philosophy and adding space to accommodate family estates.

D. Threats

- 1) Brighton will continue to produce the same results as in the past if it continues to offer the same products and services it does today. Without utilization of sales and marketing, product diversification and efforts to become active in the community, the sales will remain stagnant and growth not realized. First steps toward growth is the acknowledgment of change.
- 2) Losing sales of service and merchandise to other cemeteries and funeral homes. This will continue to be a hindrance to Brighton until product and service diversity are achieved.
- 3) Land will become an issue for Elmwood in the near future as they are nearing the end of their inventory. This should also be acknowledged in the real estate offerings moving forward and achieving the best return on investment for the City.
- 4) Staffing levels, by not maintaining a professional sales staff and appropriate operational personnel, the status quo will be achieved, but growth not recognized.

VII. Operational Recommendations

A. Staffing Levels

1) Observations:

- a) The full time cemetery staff compliment of 4.0 FTE assigned to manage and maintain the three Brighton cemetery properties could be considered minimal by industry standards. Because not all FTE positions are currently filled at this time, the staffing deficiency is notable.
- b) Although one full-time seasonal position helps to offset this shortage, as do the trustee workers from the Adams County Detention Facility, but this situation is less than ideal in terms of properly maintaining the three properties. The time spent to pick up and drop off the trustees, and in their daily training and monitoring, takes away from the productivity of the supervising staff member.
- c) Because the staff performs operations and maintenance duties at two cemeteries, across town from each other, there is a built-in inefficiency to the use of staff. Time needed to transport staff, equipment, and needed products or materials could further impact the amount of work that can be done with the current staffing level.
- d) With only two skilled FTE operations positions currently filled, the Cemetery Manager and one Maintenance Worker I, there is a risk of losing continuity in the performance of all tasks required to properly maintain the properties. If any one of the two positions were to leave, the remaining staff member could struggle to maintain the level of work required while additional staff was recruited, hired, and trained.
- e) Because of less than full staff compliment, some formerly routine tasks may tend to be deferred until later based on a lack of labor to accomplish them. If unaddressed, this list of work could possibly grow over time and begin to impact the appearance or condition of the properties.
- f) Because the Seasonal Maintenance Worker position does not offering benefits, the relative skill level of the applicants for this job may not be as complete and effective as those of a full time position with benefits may draw. There is also the possibility that this position will not be filled by the same person in subsequent years, potentially leading to a situation where training new staff may be necessary each year.
- g) While on-the-job training can provide a considerable amount of key information to new staff, and is particularly important in the cemetery operations aspects of the job, getting staff additional cemetery-related and horticulture training sessions should be considered. With the limited staff available, getting the most out of each position seems essential, and training can help.
- h) If not already in place, a training budget should be set and maintained to allow staff members to learn new skills and abilities. This should include a budget for time as well as time.
- i) Because the staff is limited in number, and little coverage is available for staff members, allowing them to attend training sessions may be challenging in itself.

- j) While many horticulture-related training sessions are offered during winter months, when less landscape and grounds maintenance work is required, cemetery operations still need to be provided.
- 2) Recommendations:
 - a) Consider filling the vacant Maintenance Worker I position as soon as possible to maintain a full complement of skilled cemetery workers.
 - b) As operations tasks increase through the sale of additional graves and future cremation garden merchandise, consider adding a third full-time staff member, or to handle the increased workload.
 - c) Consider adding full-time seasonal staff (temporary) to insure that all deferred maintenance tasks are completed and do not lapse or detract from the appearance or operations of the two properties.
 - d) Set and maintain an annual budget to fund continuing education and training for all staff members. This could benefit the overall skill level of the staff, and lead to improved retention rates.
 - e) Please consider the following types of training recommendations for key aspects of the cemetery operations:

Overall Cemetery Operations:

- i. ICCFA and The Colorado Association of Cemeteries (CAC) are two good sources of cemetery operations training for staff members.
- ii. ICCFA (International Cemetery, Cremation, and Funeral Association) ICCFA offers a number of valuable training opportunities. These include the following:
- iii. ICCFA University: This training includes a number of focused cemetery management-type courses in Memphis in July of each year. While not an optimal time to attend, the quality of coursework is the best offered anywhere. Recordings of all sessions are also available for a small fee.
- iv. ICCFA Annual Convention and Expo: Training at this function includes a number of cemetery-related sessions, though not as specifically hands-on or rich as those at ICCFA University.
- v. ICCFA is beginning to offer on-line webinars that may be useful to staff. Although they are a few in numbers at the moment, and somewhat limited in topic, this may be a good future source for training.
- vi. ICCFA also offers informative an informative magazine, blogs, and is beginning to offer “white papers” as additional ways for members to learn. All of these should be looked into as ways to further educate staff.
- vii. The Colorado Association of Cemeteries (CAC) holds an Annual Convention and Expo in conjunction with the Colorado Funeral Directors Association. Though not as robust as ICCFA, this organization does offer cemetery management-related educational sessions.
- viii. Kates-Boylston Publications, publishers of American Cemetery Magazine (ACM) and American Funeral Director, is another excellent source of information and training related to cemetery operations and

management. Besides offering a magazine focused on the industry, they also offer white papers and webinars, with past recordings available.

- ix. Other on-line sources are available and should be investigated for appropriateness for staff.

Horticulture:

- i. Colorado's ProGreen Expo is one such local training opportunity, and is usually conducted during late January or early February in Denver. This conference usually offers a wide variety of horticultural training and certification sessions, and includes an equipment and product expo featuring national vendors and local representatives.
- ii. Colorado State University Extension Service offers a number of horticulture seminars and on-line training opportunities that could be beneficial to the care and maintenance of the landscape and grounds at the cemeteries.

Cemetery Office and Management

- i. ICCFA, CAC, and ACM offer a number of seminars, webinars, and publications that could be of benefit to cemetery office staff and managers.
- ii. The City of Brighton may also offer a number of training sessions for office managers and staff that apply to software.
- iii. Additional Other outside vendors offer
- iv. These options should be examined as part of a comprehensive training program for all employees.
- v. On-line Training:
- vi. Because it may be difficult to send staff for training sessions, online webinars may be a good way to allow staff to learn new skills and abilities. While these sessions may not be as good as hands-on training, they may be less expensive and often offering flexible schedules for course completion

- f)
- g)
- h)
- i)

B. Burial Processes

1) Observations

a) Burial Operations

- i. With the exception of some of the older sections in the Elmwood and Fairview Cemeteries, the majority of graves face east.
- ii. Graves are currently sold in a "one-up" system whereby the next grave in line in Section 27 is offered to families at Elmwood Cemetery, and the same in line in Section 15 at Fairview Cemetery.
- iii. Infant graves are only available in Section 5 of the Elmwood Cemetery.

- iv. Grave plots are sold pre-need or at-need, though fees for vaults and opening and closing services are assessed only at the time of need.
- v. Perpetual care funds are collected as part of all merchandise sales. On average, the perpetual care percentage is 20%+.

b) Layout

- i. Grave plots in Elmwood's Section 27 are 4' x 10' in size and are configured in blocks of eight.
- ii. Graves in Section 26 are buried on an angle and are 4' x 11' in size. Markers are set straight and square to the edges of the section.
- iii. The grave plots in the most active recent sections, such as #26 and #27, face east.
- iv. Current grave plots at Fairview are also 4' x 10' in size.

c) Foundations

- i. Cemetery staff fabricates all foundations and installs them on an as-needed basis.
- ii. All monument bases are fabricated, sold, and placed by cemetery staff. Monument bases are available in 1' length increments from 4' to 8'.
- iii. Rules and Regulations defining requirements related to the purchase and installation of monuments and markers have been established and are available on the Cemetery website.

d) Interments

- i. Processions are met when they arrive at each cemetery and are lead to the graves.
- ii. Rules and Regulations defining requirements related to interments, dis-interments, inurnments, and vaults have been established and are available on the Cemetery website.

e) Miscellaneous

- i. Surplus soil is stored in the southeast corner of the Elmwood property. Because the soil at Fairview is far better than that at Elmwood, excess soil is brought from Fairview and stockpiled for filling graves at Elmwood. Surplus soil beyond the cemetery needs at Elmwood is regularly hauled off by the City of Brighton Streets and Fleet Division for use elsewhere.

2) Recommendations:

- a) Add

C. Record Keeping Process

1) Observations:

- a) Currently all records are done on a limited basis by paper and some computer entry. There is no redundant back up of these records other than an external drive that is taken care of by City employees.
- b) CPRA understands that there is a current search for enterprise software.

2) Recommends:

- a) CPRA recommends that this software not only handles record keeping, but it is also a vehicle for sales and marketing. The software should capture all consumer information including but not limited to:

- i. Phone Numbers
 - ii. Email Addresses
 - iii. Mailing Information
 - iv. Demographic Information
 - v. Relationship to the deceased
- b) It is also CPRA's recommendation to have all previous files from all three cemeteries integrated into the new software system. This migration may be extensive and require the skills of the software company that the City chooses to make these arrangements. Lastly, the information should be backed up by redundant servers no less than three times at locations in the continental United States. The records should NOT be stored on-site and should be backed up several times per day. The awarded company should have this process in place before being awarded the contract.

D. Products and Services Provided

1) Observations

a) Casket Interment Options

- i. Traditional casket burial and cremation burial are the primary options for final disposition at the two existing properties. Sales of casket burial plots and related services provide the majority of revenue generated by the City. Casket plot inventories are limited, and sales are stagnant.
- ii. CPRA sees opportunities for expansion are also limited without the purchase of new property. Without exception all sections are available for general purchase by the public.
- iii. Though some multi-plot family blocks do exist at the cemeteries, no special family estate-type casket burial plots are currently available at either property. These types of casket burial options are typically larger in size and more aesthetically placed on the property, and so are considered premium options and are sold for higher rates.
- iv. There are currently no mausoleum structures at either cemetery. Private mausoleums are typically placed by families on premium-sized plots, and maintenance and repairs are typically the responsibility of related family members similar to any monument or memorial/marker.
- v. There are no community mausoleums structures currently exist on any Brighton properties. These require larger pad sizes in construction; therefore there are few options for the properties that would be able to support this type of entombment option.

b) Green Burial Options

- i. There are no natural, "green" burial options are currently available at Brighton properties. This type of burial option typically involves the burial of unembalmed bodies with no outer burial container, also known as a concrete vault. The unembalmed bodies are typically placed in biodegradable caskets or body shrouds with minimal or naturalistic memorials.

c) Cremation Inurnment Options

- i. All of the cemetery properties have sufficient space available that could support the possible development of some new types of cremation merchandise elements or garden areas. Depending on the properties' respective sales histories, micro-regional demographics, and applicable market conditions, opportunities for additional types of cremation inurnment could exist, and a possible expansion of offerings available at present to allow more inurnments per grave space and possible double depth inurnments. CPRA has designed preliminary drawings for such a facility that could garner generous returns for the City. Due to the land demands of the City this is the greatest return on future investments in the cemetery division.

2) Recommendations:

- a) Add

E. Rules and Regulations

1) Observations:

- a) The Rules and Regulations cover more formal, in-depth information the public needs to understand about how the cemetery operates and what is allowed. This information is fairly complete in terms of times of operation, purchasing and ownership, interments, conduct for visitors, and it references the City Code in terms of enforcement.
- b) The cemetery has established, and had adopted by the Brighton City Council (2/2013), a set of guiding Cemetery Rules and Regulations. This set includes the following sections:
 - i. Brighton Municipal Code
 - ii. Ownership and Management
 - iii. Purchase of Lots
 - iv. Transfers
 - v. Interment
 - vi. Columbarium Niches
 - vii. Public Assistance Interments
 - viii. Disinterment
 - ix. Vaults
 - x. Foundations, Monuments and Markers
 - xi. Decoration of Lots
 - xii. Conduct Within the Cemetery

2) Recommendations:

- a) The current set of Rules and Regulations is fairly complete, but could benefit from a round of review and revisions to update them and make them more accurate and easily understood. For the most part, they currently offer a wealth of important information about cemetery operations and requirements, but could still benefit from a round of updates at this time.

- b) Specific revisions and review should be handled in a comprehensive manner, with a draft document of new and/or modified sections being prepared by staff, and a thorough review scheduled with other appropriate City staff. Review of the document should include an analysis of overall document clarity, spelling and grammar, and document format continuity and correctness.
 - c) This update process should also include a review by City Attorney staff for legal and liability purposes, and go through the steps to be reviewed and adopted by City Council. Because the Rules and Regulations reference Article 2-44 of the Municipal Code, this document should also be considered for possible update as part of this work.
 - d) Because cemeteries provide a wide range of needed services to the public at difficult times of need, the overall tone of the rules and regulations should be stated clearly, firmly, and legally complete, but could also convey a sense of compassion as well. Many of the best recent examples of well-written rules and regulations do this and are well received because of it.
- a) Possible New Sections Outline: (Note: Possible new section names used.)
- i. Introduction (Welcome) - This section could act as a general welcome to the public and set the tone for following sections. It could be the one location where all of the “housekeeping” information is presented clearly, right up front. Contents could include existing topics listed in different locations throughout the document, such as property locations, contact names and phone numbers, times of operation, special event notices, mention of the City as Owner, and a reference to enforcement of the Rules and Regulations per the Municipal Code.
 - ii. Definitions - This section could be brief, but could list and define key terms for cemetery operations, merchandise, and ownership agreements with which the public may be relatively unfamiliar. The words selected would be key terms included in subsequent sections of the Rules and Regulations document.
 - iii. Conduct - This section could be an updated version of the existing list of concerns, with new issues and restrictions added. It could also benefit from being moved to a more prominent location nearer the front of the document for improved clarity.
 - iv. Traffic - Because the two primary cemetery properties are relatively small and have limited parking at times of peak visitation, and with the Pioneer cemetery having added access issues, it may be of benefit to separate and update the rules and regulations related to vehicular traffic. This section could clearly state the speed limits, parking rules, note special regulations for busy days and special events, and again state the hours of operation.
 - v. Purchase of Lots and Niches - This section could combine and update existing rules and regulations related to the purchase of lots and

cremation niches, and their possible transfer. Each type of merchandise is fairly complete and listed separately now, and could continue in that manner within the overall section, but could benefit from being consolidated all into one section. As new merchandise is added, such as possible new premium grave plots and estates, and future cremation merchandise with possible new purchase requirements, this section will need to be updated accordingly.

- vi. Interments, Inurnments, and Funerals - This section could combine and update in one location, the existing rules and regulations related to vaults, interments public assistance interments, dis-interments, and inurnments into columbarium niches. While all of these are important to include, they could benefit by being grouped into sub-parts of a single section to help the public better understand them. As new merchandise is added, such as possible new premium grave plots and estates, and future cremation merchandise with possible new interment or inurnment requirements, this section will need to be updated accordingly.
- vii. Foundations, Monuments, and Markers - While this section is fairly complete as is, it could be reviewed along with the other sections being considered. As new merchandise is added, such as possible new premium grave plots and estates, and future cremation merchandise with possible new interment or inurnment requirements, this section will need to be updated more substantially.
- viii. Decoration of Lots - This section could benefit from a review and possible consolidation along with the other sections being considered. As new merchandise is added, such as possible new premium grave plots and estates, and future cremation merchandise with possible new interment or inurnment requirements, this section will need to be updated more substantially.
- ix. Cemetery Maintenance - This section could list in one place those rules related to the landscape and grounds work to be performed by the cemetery staff, and state what is not their responsibility. It could also include a definition of perpetual care, and what that means in terms of cemetery maintenance and responsibility.
- x. Work in the Cemetery - This section could also be brief, but could list in one place those rules and regulations related to who may or may not perform work in the cemetery besides the cemetery staff. This could also list the process to become approved to do work, note any specifications or standards governing work on the properties, and define the cemetery's liability position for the work done by others.

F. Technology

1) Observations:

- a) The technology platform should maintain records CRM as well as a database of potential customers and their needs. It should have name, address, phone, email, relationship, current needs, future needs, other family that will want to be

with them. It should also have an area that notes can be taken and reminders given to sales staff.

2) Recommendations:

- a) Consideration should be given to development of tablet applications that will allow business to be conducted in the cemetery. This application should include inventory, merchandise, contracts and should be directly tied into the CRM listed above.

G. Other Observations and Recommendations

1) Facilities and Buildings

a) Observations:

- i. For the most part, the existing office, shop buildings, and outdoor compounds in place at the two cemeteries provide adequate space for the needs of the overall operation.
- ii. The main building at Elmwood Cemetery provides comfortable offices for customer contact, cemetery administration, and staff use purposes, and..... secure storage and safe maneuvering of all equipment and materials used.
- iii. The recent addition of the new shop building at the Fairview property filled a need on to provide equipment and storage space to adequately serve the property.

b) Recommendations:

- i. As much as possible, the equipment, tools, and products needed to perform operations and maintenance tasks at Fairview should be kept in the shop building on the property. This will not be possible for the mini excavator and dump truck, but the majority of other equipment and power tools could be. This could cut staff hours lost transporting these items back and forth.
- ii. All maintenance tasks deferred due to low staff levels, such as grave leveling, tree and shrub pruning, irrigation system updating, and horticultural product applications should be addressed before they impact the appearance and operation of the two properties.

2) Landscape and Grounds

a) Observations:

- i. The primary issue related to the landscape and grounds at the two properties is that they are not contiguous and require transport of staff, equipment, and horticultural products and materials needed for operations and maintenance. This transportation adds up to several hours of each week that could otherwise be spent accomplishing needed tasks.
- ii. The soil profile at the Elmwood property is gravel-based and very porous. This causes irrigation water to percolate through the profile quickly, and requires more water be applied to keep the turf looking acceptable to families.

- iii. Grave plots in older sections have settled, requiring many of the monuments to be raised and/or reset. This work is done on an as-possible basis, with very little work being done in the last several years.
 - iv. Grave plots in older sections are tight, requiring specialized equipment be used to complete burials.
- b) Recommendations:
 - i. Add
- 3) Primary Excavation Equipment
 - a) Observations:
 - i. The cemetery is well equipped to perform all necessary burial-related operations current levels. Given the tight burial geometry in older sections of both properties, the Bobcat mini excavator used is a good choice for making opening and closings.
 - ii. For handling soil, a 1-ton Ford dump truck is used where space is available, and a heavy duty John Deere Gator utility vehicle is used in tighter situations. These two vehicles provide the right equipment to effectively accomplish the operations tasks necessary in all situations.
 - iii. An equipment trailer is used to transport the mini excavator and other equipment between cemetery properties, as needed.
 - b) Recommendations:
 - i. Given the operations work required, the overall sizes and layout of sections within the two cemeteries, and the need to travel between the two properties, the primary excavation equipment is well-selected to perform the needed tasks. It should continue to be utilized and maintained in top working condition, and when replacement is required, it should be replaced in kind.
 - ii. Because tight layout conditions also exist at Fairview Cemetery, with the need to make burials in tight situations, a heavy duty Gator utility vehicle capable of handling soil would be an appropriate addition at that property. It could be used for tight openings and closing operations, and for other heavy soil, building material, and/or equipment handling.
- 4) Secondary Excavation Equipment
 - a) Observations:
 - i. For safety reasons, the cemetery utilizes a trench box for deeper excavations and track pads for use in wet conditions or other special situations.
 - ii. Hazmat suits are used for disinterment operations.
 - b) Recommendations:
 - i. Secondary excavation devices should continue to be used, and new staff should be regularly trained and tested in their proper use.
 - ii. Other safety equipment used by staff, such as traffic signage for peak visitation and hazmat suits used for occasional disinterment purposes should also be continued and training should be conducted on a regular basis.

- iii. If they do not exist to date, equipment utilization and maintenance logs should be kept to record the hours of operation of all of the equipment, and of their regular maintenance.
- 5) Interment Equipment
- a) Observations:
 - i. The cemetery has sufficient casket lowering devices to keep one at each property. Both are in good working condition.
 - ii. The cemetery does not currently have a cart for transporting caskets to grave plots for burial. This item is in the budget for next year.
 - b) Recommendations:
 - i. It is recommended that a casket cart with lawn tires be added to help transport caskets to a grave plots in times of inclement weather or when pall bearers are short in number.
- 6) Maintenance Equipment
- a) Observations:
 - i. For the most part, the landscape and grounds maintenance equipment employed at the cemeteries is adequate to perform the tasks required. The aggregate age of the inventory of mowers is older in than ideal industry standards, and maintenance and replacement repairs could be expected to be higher than for newer equipment. The hours of use realized per week is somewhat lower than standards
 - ii. The inventory of non-mower type landscape and grounds maintenance equipment employed at the cemeteries is considerable, and well-selected to perform needed tasks.
 - b) Recommendations:
 - i. This list of equipment should be maintained in the inventory and kept in proper working condition
- 7) Maintenance Activities
- a) Observations:
 - i. For the most part, the cemetery properties are maintained in top condition, and are tidy and attractive.
 - ii. The fact that the two properties are several miles apart, it requires that staff, equipment, and horticulture and burial products and materials be transported from one property to another.
 - iii. Because staff numbers are at a minimum, completing all operations and maintenance tasks can be challenging. With one FTE unfilled, and replaced with an unskilled/semi-skilled seasonal employee, some tasks must be deferred and are not being completed as they have in the past. The list maintenance tasks currently being deferred due to staffing includes, but is not limited to, the following:
 - 1. Grave filling in older sections.
 - 2. Monument leveling/resetting in older sections.
 - 3. Tree and shrub pruning.
 - 4. Irrigation repairs.



VIII. Sales and Marketing Recommendations

Brighton Cemeteries offer its residents as well as regional inhabitants a unique opportunity to rest in places of great beauty and heritage. Like waves of marathon runners, increasing numbers of adults are racing off the half-century starting line. More than one-half of the Baby Boom generation now is age 50 and older and one-third of all Americans will reach age 50 by 2010. There are some industry trends the City must take into consideration:

In addition to the death and cremation rates, other significant trends are occurring in the death care industry that the City of Brighton may consider establishing priorities for their cemeteries. These trends include:

- Personalization: Consumers are seeking more personalized memorials/tributes within pastoral settings for their final resting place.
- Green/Natural Burial: While lagging behind burials seen in the U.K., the U.S. is seeing rising popularity and demand for green/natural burial offerings.
- Pet Cremation/Burial: There is a growing trend for pet death services and products.
- Family Estates: There appears to be a trend, similar to that of 100 years ago, in which families are selecting more expensive private estates.
- Sustainability: A growing trend for cemetery service providers is the idea of 'sustainability' and understanding how short and long-term costs can be reduced.
- Space Re-Use: A long-term practice in other markets around the world, where burial spaces are leased for a period of time, remains are placed in a family plot after a set time, and the space is re-used by others. This idea is common in a few locations in the U.S. and is expected to become more common as space becomes limited in certain market areas and as additional revenue streams are required to sustain operations.
- Cremation "take-homes": A study conducted by the Cremation Association of North America (CANA) in 1997 noted that 35.8% of cremation dispositions ended up at the

the community and the overall objectives of the cemeteries.

Marketing must deliver a salient message that the community both understands and embraces. This message must be delivered through several mechanisms. The cemetery division may choose one of several options listed below.

Residents aged fifty and older in the Adams, Boulder and Weld counties are the primary target for the Brighton cemeteries. This market is generally identified by the term “seniors” for those born prior to 1946 and “Baby Boomers” for those born between 1946 and 1964. There are approximately 100 million people in these two

"At more than 100 million strong, baby boomers and older customers (born before 1946) are the single largest consumer group in America, and they are the wealthiest, best educated and most sophisticated of purchasers. With more disposable income than any population in America, they are, in fact, the New Customer Majority."

In order to capitalize on this swell in need for funeral services Brighton cemeteries must present a clear message to the public, increase their offerings in both services and merchandise and lastly create a spaces within the cemetery that produce high demand. Recent studies have also identified the increased interest of Baby Boomers to select additional personalization, individualism and originality when it comes to death care merchandise and funeral purchase offerings. It is paramount to the long term success of this operation that the cemetery division accommodates these requests.

B. Marketing Strategy

1) Opportunity:

- a) In the short term, Brighton Cemeteries should continue to offer its basic services to the public, including ground burial, urn burial, graveside services and upright and flat granite memorial products. In order to capture a greater market share of the Baby Boomer population the cemeteries to add to this additional urn burials, additional niche columbaria, and scattering garden options. Also the addition of a space that is specifically designed to hold services on site may be an excellent option to capture additional revenue. These smaller space options take less real estate and provide excellent return on investment. Cremation rates across the nation continue to increase and Brighton should capitalize on this movement. These burials offer high return with limited allocation of space and resources.

2) Strategy:

- a) Brighton cemeteries should capitalize on the unique settings of its properties. Elmwood with its location and proximity to the main thorough fare should utilize its beauty and unique opportunity to present the public a new garden that will naturally be seen by that everyone who passes by the property. Fairview must utilize its natural beauty and views to create demand for its prominent vistas of the state. Each property should capitalize on new merchandise that plays to each of their individual strengths. They should offer a range of cremations services, merchandise, price points and a variety of settings in which to place them. Lastly, with the locations unique settings the real estate in which people would be buried should be allocated as good, better and best and sold with these price points in mind. There should also be an option to purchase an estate in which entire families may be buried.

C. Marketing Plan:

1) Maximize the arrangement conference.

- a) When there has been a death, the Brighton staff schedules an arrangement conference to make burial arrangements. It is important that the staff provide the families with the full range of options for internment and memorialization. Because family members may often desire to purchase adjacent burial sites while they are still available, this option should be discussed with them. (This is especially true with Brighton's next in line philosophy)

2) Consider appropriate signage

- a) As simple as "Plots Available" at each location where plots are still in inventory. This has proven to be a lead generator.

3) Promote sales through Brighton City Government communications channels

- a) Such as the City website, email services, community communications, and other social media options. The services should be added to the cities Facebook page as well as any other social outlets the City utilizes. Recent studies show that Baby Boomers spend more time online than any other demographic.
- b) Consideration should also be given to brochures, print advertising, mailings and banners and billboards to direct messages to Brighton's target market. Current

studies show it takes 7.8 impressions in order to move the target to action. This should be considered when utilizing all outlets at the cities disposal.

4) Promote sales and cemetery events

- a) Especially during the holidays. For example, Memorial Day weekend should be **heavily** promoted and staffed and burial/memorial options advertised. Present



to community groups, churches, funeral homes, fraternal organizations and senior groups. This will involve staff actively seeking speaking engagements to promote Brighton cemetery options. The presentation should include a history of the cemeteries and burial/memorial options available.

5) Market to families of current property owners.

a) Among the people most interested in utilizing the Brighton Cemeteries may be those with family members already buried in one of the cemeteries.

6) Capture email addresses

a) It is critical Brighton begin to capture email addresses of current and former customers. This will allow the City to accumulate a database in order to market new services, merchandise or projects the cemeteries are going to endeavor.

7) Regular presentations to City staff

a) Inform and educate them about the history and options offered, so they can pass this

information along to friends and family as a need may arise. The network of individuals and families must be engaged as it offers a marketing outlet the competition does not have.

D. Marketing Messages

1) As part of a new effort to better inform the public of the services and cemeteries that Brighton has to offer and help for the basis of a new positive public relations effort. While public perception of the cemeteries and services may be limited presently, additional messaging will bolster image and perception of services, offerings and merchandise available to the public. Some key messages include:

- a) Our properties are the fabric of the community
- b) Brighton cemeteries are publicly owned and operated
- c) Our Management is Efficient and Cost Effective
- d) We Have New Burial and Cremation Options
- e) We Have Caring and Committed Staff
- f) We Preserve Your History, Your Story
- g) Enjoy the Beauty of our Properties
- h) We Have a New Cremation Garden (or a coming soon message to create anticipation)

- i) We Have a New Services Garden (or a coming soon message to create anticipation)

E. Marketing Methods

- 1) Brighton cemeteries should consider expanding its message to reach Boulder, Weld and Adams counties. Contracted sales and marketing professionals can determine if this should be done through City resources. They should utilize additional media platforms to inform the public of its available services, facilities and impending improvement projects. These include:
 - a) City Website
 - b) Brochures
 - c) Print Advertising
 - d) Mailings
 - e) Banners/Billboards
 - f) Focused Marketing (Churches, nursing homes, retirement communities, etc.)
 - g) Opt in type business emailing services and surveying services

F. Sales

- 1) Brighton does have the opportunity to fuel growth in sales; however the current staff is inadequate to handle substantial growth. The current staff, with current workload, is unable to perform 90% of the duties that would be required to generate increasing revenue. Currently the Brighton cemetery staff is relegated to the role of order taker. Since the role is more administrative, there has been little to no training in the sales arena. Brighton should strongly consider hiring a professional sales person to handle the day to day duties that are required to grow and succeed. The sales professional can be out in the community presenting the services of the cemeteries and be an ambassador for the program. They will be education in the current goods and services as well as new developing projects that the public will be curious about. They will have the opportunity to engage the family on a pre-need basis as well as at need. They will have their hands on all necessary paperwork, insuring the administrative staff has everything they need to proceed with the burial. They will have the opportunity to display the new merchandising efforts the City is putting forward as well as the new real estate designations throughout the cemeteries.

IX. Financial Recommendations

With the financial deficit ranging between \$25,000 to \$70,000 annually there are a number of recommendations that will bolster revenue and lighten the burden on the City coffers. Just like with any solvent business, the City must spend some money in order to realize these bolstered returns. The additions of the cremation garden and service gardens would demonstrate the most immediate impact with the least required space. The City should look at a strategy of lending itself capital from the perpetual care fund at a set percentage and payback schedule to develop the on-site resources required to generate greater returns.

A. Increase Revenues

- 1) There are a number of ways to increase revenue; however the City should look at the following pointed approach to these increases.
- 2) Maintain the status quo for “next in line” burials. This will help with the sales of premium real estate. Identify burial plots within the cemetery that have scenic views, are not encumbered by local traffic. Brighton may also consider estates for families with the means to purchase these estates. This will offer a significant increase in revenues. One estate annually will close the cemetery deficit. Also, with the addition of the cremation garden, the services garden, there will be a significant increase in annual inurnments.
- 3) Price Increases
 - a) In line burial - \$899
 - b) Better burial plot, not next in line - \$999
 - c) Best burial plot, not next in line - \$1499
 - d) Estates – these will have to be measured as to size but can range anywhere from \$10,000 to \$100,000
- 4) Increasing the Number of Sales
- 5) While raising prices and diversifying merchandise will begin to raise revenues, Brighton must also increase the number of burials. Currently the cemeteries average 200 burials annually. With new sales and marketing strategy and new merchandise offerings, as well as real estate diversification and new gardens on site the burials annually should modestly increase. With these drastic changes should bring a 15% percent increase to the annual burials and should continue this trend over the course of the next 10 years. Inventory will then become the next issue to grapple.
- 6) In most cemeteries the smallest plot fee are reserved for the undesirable location or the location with the least options. It has been proven that most people are willing to pay for value. Pricing all the plots in the cemetery at the same price does not work well or add additional value to plots and lowers overall returns.
- 7) Merchandise pricing
 - a) Because Brighton offers such a limited number of merchandise items, it is strongly recommended they consider increasing their inventory offering. This does not need to be done by bringing in additional samples to the site. This can be done by building a catalogue in order to facilitate additional offerings to the public. This may be done with a single manufacturer or multiple manufacturers in order to offer the greatest variety to the consumer within the constraints of the rules and regulations. There are marketing services that can help the City build this or this can be built by a consultant such as CPRA. CPRA has cited examples in the following document on merchandise to bolster revenues. Brighton must increase the sales of merchandise as they represent less than 3% of all revenues for the department. This represents the single largest possibility for additional revenue. This should represent close to 1/3 of all revenue for the cemeteries.

B. Increase Merchandise and Return on Investment

Brighton will want to consider the addition and integration of additional merchandise in their properties, specifically focusing on cremation merchandise. CPRA offers the following list of cremation memorialization products that have proven successful in other developments around the county. In addition, CPRA has developed pro forma metrics for these products for reference. While general, these metrics can be used to determine cost/benefit of various merchandise development projects and guide Brighton with ongoing development decisions. Know that these are averages and based on moderately priced granites.

- 1) Niches (prefab) – the following pro forma is based upon 100 Niche spaces (single), selling at \$3,000, with O/C at \$695 (conducted by Brighton staff), a Brighton supplied capsule for the cremains at \$345, and Brighton supplied inscription at \$110 (via bronze plate or contracted through a local engraver)



Revenue Type	Fee Revenue	Niche Costs
Inurnment Right	\$300,000	\$55,000
Opening /Closing Service	\$69,500	\$0
Cremation Capsule	\$34,500	\$6,500
Plaque Inscription	\$11,000	\$3,000
PC Fund Contribution (at 25%)	\$90,000	
Gross ROI	6.4:1	
Gross Revenue per Square Foot (at +/- 225 sf)	\$1,844/sf	
Gross PC Fund Contribution per Square Foot	\$400/sf	
Estimated time to sell out (at 24 sales/year)	approx. 4 years	

- 2) Consideration should be given to sizing niches to accommodate for companion memorialization as this will allow you to increase your revenues with limited cost increases. If we take the same scenario above and offer as companion, the revenue model changes as follows, assuming 60% of buyers will choose companion.



Revenue Type	Fee Revenue	Niche Costs
Inurnment Right	\$300,000	\$55,000
Opening /Closing Service	\$111,200	\$0
Cremation Capsule	\$55,200	\$10,400
Plaque Inscription	\$17,600	\$4,800
PC Fund Contribution (at 25%)	\$90,000	
Gross ROI	6.9:1	
Gross Revenue per Square Foot (at +/- 225 sf)	\$2,151/sf	
Gross PC Fund Contribution per Square Foot	\$400/sf	
Estimated time to sell out (at 24 sales/year)	approx. 4 years	

- 3) Memorial Coping – These are decorative border placements on the perimeter of cemetery sections and gardens, the customer purchases the inurnment right underneath the coping stone. The following pro forma is based upon 50 Memorial Coping spaces (companion), selling at \$2,500, with OPENING / CLOSING SERVICES at \$695 (conducted by Brighton staff), a Brighton supplied capsule for the cremains at \$345, and Brighton supplied inscription at \$110 (via bronze plate or contracted through a local engraver)



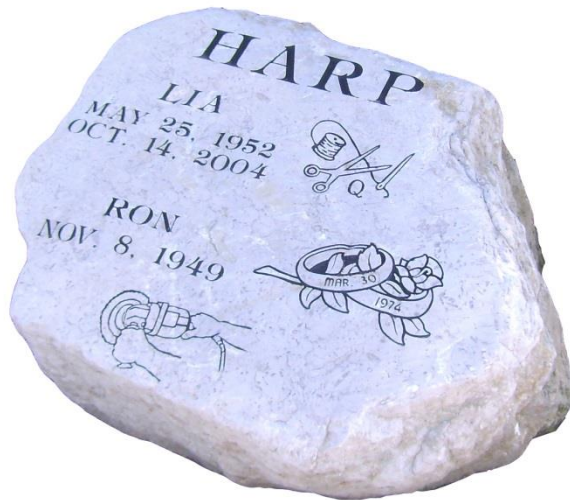
Revenue Type	Fee Revenue	Niche Costs
Inurnment Right	\$125,000	\$14,000
Opening /Closing Service	\$69,500	\$0
Cremation Capsule	\$34,500	\$6,500
Plaque Inscription	\$11,000	\$3,000
PC Fund Contribution (at 25%)	\$31,250	
Gross ROI	10.2:1	
Gross Revenue per Linear Foot (at +/- 755 lf)	\$3,200/sf	
Gross PC Fund Contribution per Linear Foot	\$416/lf	
Estimated time to sell out (at 24 sales/year)	approx. 2 years	

- 4) Memorial Pavers –Much like the Memorial coping listed above the pavers provide an innovative and space saving way for the customer to purchase inurnment rights. The following pro forma is based upon 100 Paver Spaces (single), selling at \$1,500, with Opening/Closing Services at \$695 (conducted by Brighton staff), a Brighton supplied capsule for the cremains at \$345, and Brighton supplied inscription at \$110 (contracted through a local engraver)



Revenue Type	Fee Revenue	Niche Costs
Inurnment Right	\$150,000	\$10,000
Opening /Closing Service	\$69,500	\$0
Cremation Capsule	\$34,500	\$6,500
Plaque Inscription	\$11,000	\$3,000
PC Fund Contribution (at 25%)	\$37,500	
Gross ROI	13.5:1	
Gross Revenue per Linear Foot (at +/- 100 lf)	\$2,650/sf	
Gross PC Fund Contribution per Linear Foot	\$375/lf	
Estimated time to sell out (at 24 sales/year)	approx. 4 years	

- 5) Cored Upright or Boulder Memorial – the following pro forma is based upon 1 Cored Upright or Boulder memorial (companion), selling at \$5,000, with OPENING / CLOSING SERVICES at \$695 (conducted by Brighton staff), a Brighton supplied capsule for the cremains at \$345, and Brighton supplied inscription at \$180 (contracted through a local engraver)



Revenue Type	Fee Revenue	Niche Costs
Inurnment Right	\$5,000	\$850
Opening /Closing Service	\$1,390	\$0
Cremation Capsule	\$690	\$130
Plaque Inscription	\$360	\$120
PC Fund Contribution (at 25%)	\$1,250	
Gross ROI	6.8:1	
Gross Revenue each	\$7,440/ea	
Gross PC Fund Contribution each	\$1,250/lf	
Estimated time to sell unit	approx. one every 2 months	

- 6) Ossuary/Cenotaph (prefab) – the following pro forma is based upon installing an ossuary (to accommodate 300 cremains with associated panel and paver cenotaph options. More specifically, the selling price will be \$995 (incl. OPENING / CLOSING SERVICES) and Brighton supplied inscription at \$110 (via bronze plate or contracted through a local engraver)



Revenue Type	Fee Revenue	Niche Costs
Inurnment Right	\$298,500	\$10,200
Opening /Closing Service	\$0	\$0
Cremation Capsule	\$0	\$0
Plaque Inscription	\$33,000	\$9,000
PC Fund Contribution (at 25%)	\$74,625	
Gross ROI	17.3:1	
Gross Revenue per Square Foot (at +/- 225 sf)	\$1,473/sf	
Gross PC Fund Contribution per Square Foot	\$332/sf	
Estimated time to sell out (at 48 sales/year)	approx. 6 years	

In addition to these cremation offerings, CPRA offers the following pro forma for casketed ground burial as a point of reference. While gross ROI is healthy, this option consumes a great deal of land for diminishing the gross revenue per square foot considerably below that of cremation.

- 7) Casketed Ground Burial – the following pro forma is based upon developing one (1) acre of ground burial plots where site development is limited to landscape plantings, signage, and lot pins. More specifically, this acre is projected to accommodate 1,000 single spaces at an average selling price of \$2,695 with OPENING / CLOSING SERVICES at \$1,050. This model assumes no revenue from grave liners or memorial inscriptions.



Revenue Type	Fee Revenue	Costs	Type
Interment Right	\$2,695,000	\$100,000	Professional Svs.
Opening/Closing Services	\$1,050,000	\$325,000	In House Staff
PC Fund Contribution (at 25%)	\$673,750		
Gross ROI	8.8:1		
Gross Revenue per Square Foot (at +/- 43,560 sf)	\$86/sf		
Gross PC Fund Contribution per Square Foot	\$15/sf		
Estimated time to sell out (at 48 sales/year)	approx. 21 years		

CPRA would also like to offer a general pro forma based upon a small to mid-sized cremation garden type development so that Brighton can better understand metrics for a garden with a varied mix of products.

- 8) Cremation Garden – the following pro forma is based upon a small cremation garden with a mix of cremation products at different price points. More specifically this garden is an 1/8th of an acre (or 5,445 sf), product density is at 1 inurnment per 10 square feet or 544 units, of these units assume 50% will sell as companion spaces, average selling price is \$2,695, with Opening / Closing Services at \$695 (conducted by Brighton staff), a Brighton supplied capsule for the cremains at \$345, and Brighton supplied inscription at \$110 (via bronze plate or contracted through a local engraver)



Revenue Type	Fee Revenue	Costs	Type
Inurnment Right	\$1,466,080	\$217,600	Goods / Professional Services
Opening /Closing Service	\$567,120	\$0	
Cremation Capsule	\$281,520	\$53,040	Goods
Plaque Inscription	\$89,760	\$24,480	Goods & Services
PC Fund Contribution (at 25%)	\$366,112		
Gross ROI	8.2:1		
Gross Revenue per Square Foot (at +/- 225 sf)	\$442/sf		
Gross PC Fund Contribution per Square Foot	\$67/sf		
Estimated time to sell out (at 48 sales/year)	approx. 11 years		

As Brighton staff becomes more comfortable selling cremation garden merchandise and as the public gains acceptance, Brighton will want to consider developing more comprehensive garden developments with added product lines and price points. The following cremation garden examples are offered to Brighton staff for reference as these larger development projects are considered in the future. Each of these projects creates a unique style and product mix that compliments its context. These three examples are noted below in more detail.

- 9) Cremation Garden 1– this garden, with its southwestern flavor, is part of a larger road infill project within a small 5-acre cemetery in New Mexico. The garden offers a variety of single, companion, and estate products (15 total) priced from \$845 to \$28,000 and are intended to cater to the diverse buying choices demanded by the families in the area. The garden utilizes 1,600 sf and has a total of 2,356 inurnment and memorialization spaces for a gross density of 1 space per 1.5 sf. This project is unique in that it will also be offering families the option to lease niche spaces until such time they are ready to make a commitment. This garden's pro forma follows:



Revenue Type	Fee Revenue	Costs	Type
Inurnment Right	\$2,983,510	\$520,349	Goods / Professional Services
Opening /Closing Service	\$247,200	\$0	
Cremation Capsule	\$363,000	\$111,564	Goods
Plaque Inscription	\$458,370	\$141,990	Goods & Services
Commission		\$409,751	
PC Fund Contribution (at 10-25%)	\$275,342		
Gross ROI	3.4:1		
Gross Revenue per Square Foot (at +/- 225 sf)	\$2,532/sf		
Gross PC Fund Contribution per Square Foot	\$172/sf		
Estimated time to sell out (at 240 sales/year)	approx. 10 years		

10) Cremation Garden 2– this garden, with its traditional character, is the first phase of a larger development and is located next to an active burial section at this 274-acre historic Colorado cemetery. The garden offers a variety of single, companion, and estate products (14 total) priced from \$975 to \$42,000 and are intended to offer diverse buying choices for families served in the area. The garden utilizes 2,400 sf and has a total of 901 inurnment and memorialization spaces for a gross density of 1 space per 2.7 sf. This garden’s pro forma follows:



Revenue Type	Fee Revenue	Costs	Type
Inurnment Right	\$2,075,725	\$335,575	Goods / Professional Services
Opening /Closing Service	\$488,100	\$0	
Cremation Capsule	\$205,150	\$25,500	Goods
Inscription	\$182,160	\$22,995	Goods & Services
Commission		\$249,087	
PC Fund Contribution (at 15%)	\$311,359		
Gross ROI	4.7:1		
Gross Revenue per Square Foot (at +/- 225 sf)	\$1,229/sf		
Gross PC Fund Contribution per Square Foot	\$129/sf		
Estimated time to sell out (at 240 sales/year)	approx. 4 years		

- 11) Cremation Garden 3– this garden, with its formal character, is the second phase of a larger, cremation only cemetery development and is located next to a funeral home in Colorado. The garden offers a variety of single, companion, and estate products (14 total) priced from \$570 to \$18,500. The garden utilizes 1,530 sf and has a total of 858 inurnment and memorialization spaces for a gross density of 1 space per 1.8 sf. This garden’s pro forma follows:



Revenue Type	Fee Revenue	Costs	Type
Inurnment Right	\$1,441,887	\$293,372	
Opening /Closing Service	\$302,325	\$114,045	
Cremation Capsule	\$150,075	\$57,022	
Plaque Inscription	\$63,980	\$25,561	
Commission		\$162,516	
PC Fund Contribution (at 25 -30%)	\$523,630		
Gross ROI	3:1		
Gross Revenue per Square Foot (at +/- 225 sf)	\$1,280/sf		
Gross PC Fund Contribution per Square Foot	\$342/sf		
Estimated time to sell out (at 100 sales/year)	approx. 8 years		

C. Capitalize on the Perpetual Care Fund

- 1) With modest returns on the current perpetual care funds, there are alternatives to investment strategies to have greater gains in both the fund and the cemetery's revenues. Investing in new merchandise, gardens and ceremonial areas and returning the capital with interest, the cemeteries will grow along with the fund.
- 2) Examples

Term	Interest	Principal	Payment	PCF Earned
10 Years	8%	\$100,000	\$1213.28	\$45,593.11
10 Years	8%	\$200,000	\$2426.55	\$91,186.23
10 years	8%	\$250,000	\$3033.19	\$113,982.78
15 years	8%	\$100,000	\$955.65	\$72,017.38
15 years	8%	\$200,000	\$1911.3	\$144,034.75
15 years	8%	\$250,000	\$2389.13	\$180,043.44
20 years	8%	\$100,000	\$836.44	\$100,745.62
20 years	8%	\$200,000	\$1672.88	\$201,491.23
20 years	8%	\$250,000	\$2091.10	\$251,864.04

- 3) By maximizing the PCF, Brighton will generate additional revenue by new merchandise as well as generated interest. This will also allow Brighton to increase exposure in the community with new and beautiful venues for the public to utilize in their time of need.

X. Action Plan

CPRA has worked closely with Brighton over the last several months to understand this Program and identify major opportunities and liabilities which have been listed herein. CPRA believes these recommendations should be implemented in a "measured" step-by-step approach and suggests the following key goals that should be requested:

- A. Lay foundation for responsible growth.
- B. Increase revenues within the Program.
- C. Grow the Program by ongoing staff education/training, additional sales, new merchandise, marketing, increased program efficiencies, and increased perpetual care funds.
- D. Provide results oriented concepts for growth and provide continued dialogue with CPRA seeking input and guidance at every step.

CPRA has outlined the following Action Plan (Step 1 through 8). This Action Plan should be considered only as a point of beginning (framework) and is assumed to be flexible pending ongoing growth results, budgeted cash flow, and Program needs. The following Stages are recommended by CPRA:

- Step 1 – Develop a plan to utilize current assets, including the use of the PCF to leverage a greater return and develop a comprehensive growth strategy for the funds.
- Step 2 – Increase Prices as noted in the Financial Section of this Report and begin to establish tiered pricing for merchandise that reflects low, medium, high, and premium offerings.
- Step 3 – Increase Perpetual Care Fund contributions to 25% as noted in the Financial Section of this Report.
- Step 4 – Create an Advisory Committee to assist with the oversight and direction of this Program
- Step 5 – Continue to progress with the signage improvements at each cemetery so vital information can be communicated to the public with a consistent brand and message as noted in the Renewal and Replacement schedule for FY 2012 and 2014 as noted in Existing Operations Section of this Report.
- Step 6– Increase Cremation Inventory Offerings that provide both price and style diversity for the consumer as noted in the Recommendations and Financial Sections of this Report. CPRA recommends initial inventory be considered for both Elmwood and Fairview properties.
- Step 7 – Increase Sales Pace by trying to grow the pre-purchased sales side of the business through the tactics and methodologies presented in the Sales/ Marketing Section of this Report.
- Step 8 – Progress public engagement and outreach by engaging the community as outline in the marketing section of this report

XI. References

- 1) United States Census Bureau www.census.gov
- 2) Cremation Association of North America www.creationassociation.org
- 3) International Cemetery, Cremation and Funeral Association, www.iccfa.com
- 4) State of Colorado, www.colorado.gov

International Cemetery, Cremation and Funeral Association (ICCFA) Glossary of Terms

- 1) Developed in 1998 by the Government and Legal Affairs Task Force of the International Cemetery and Funeral Association
- 2) **ALTERNATIVE CONTAINER:** A non-metal receptacle or enclosure, without ornamentation or a fixed interior lining, which is designed for the encasement of human remains and which is made of cardboard, pressed-wood, composition materials (with or without an outside covering), or pouches of canvas or other materials.
- 3) **ARRANGEMENT CONFERENCE:** The meeting occurring either at need or preneed between the seller and the purchaser during which funeral and cemetery merchandise and services are discussed.
- 4) **ARRANGEMENT CONFERENCE FEE:** The charge to the purchaser in conjunction with the arrangement conference.
- 5) **AT NEED:** At the time of, or immediately following, death.
- 6) **AUTHORIZING AGENT:** One who is lawfully authorized to control the final disposition of the human remains.
- 7) **BELOW-GROUND CRYPT:** A pre-placed enclosed chamber, which is usually constructed of reinforced concrete, poured in place or pre-cast unit installed in quantity, either side by side or multiple depth, and covered by earth or sod and known also as a lawn crypt, turf-top crypt, etc.
- 8) **BENEFICIARY:** One who benefits from an act, such as one for whom a prepaid contract is entered into or the successor-in-interest of a life insurance policy.
- 9) **BURIAL:** The placement of human remains in a grave space.
- 10) **BURIAL PERMIT:** A legal document issued by a local regulatory authority authorizing final disposition of human remains.
- 11) **CASH ADVANCE:** Any item of service or merchandise described to a purchaser as a "cash advance", "accommodation", "cash disbursement", or similar term. A cash advance item is also any item obtained from a third party and paid for by the seller on the purchaser's behalf. Cash advance items may include, but are not limited to, cemetery or crematory services; pallbearers; public transportation; clergy honoraria, flowers; musicians or singers; nurses; obituary notices; gratuities; and death certificates.
- 12) **CASKET:** A rigid container which is designed for the encasement of human remains and which is usually constructed of wood, metal, or like material, and ornamented and lined with fabric.
- 13) **CEMETERY:** A place that is established, maintained, managed, operated, or improved and which is dedicated to and used or intended to be used for the final disposition of human remains and their memorialization.
- 14) **CEMETERY AUTHORITY:** Any person (as defined) that owns or controls a cemetery or conducts cemetery business.
- 15) **CEMETERY PURPOSES:** Any and all business and activities requisite to, necessary for, or incident to establishing, maintaining, operating, or improving a cemetery, interring human remains, and the care, preservation, and embellishment of a cemetery.

- 16) COLUMBARIUM: A structure or room or space in a building or structure used or intended to be used for the inurnment of cremated remains.
- 17) COMMINGLING: The mixing of cremated remains of more than one decedent.
- 18) CREMATED REMAINS: The bone fragments remaining after the cremation process, which may include the residue of any foreign materials that were cremated with the human remains.
- 19) CREMATED REMAINS CONTAINER: A receptacle in which cremated remains are placed awaiting final disposition.
- 20) CREMATION: The irreversible process of reducing human remains to bone fragments through intense heat and evaporation, in a specifically designed furnace or retort, which may include any other mechanical or thermal process whereby the bone fragments are pulverized, or otherwise further reduced in size or quantity. Cremation is a process and is not a method of final disposition.
- 21) CREMATION CHAMBER: The enclosed space in which the cremation of human remains is performed.
- 22) CREMATION CONTAINER: An enclosed receptacle, which is combustible, rigid, and leak-resistant, that is designed for the encasement of human remains prior to and during cremation.
- 23) CREMATION PERMIT: A legal document issued by a local regulatory authority giving permission for cremation of the deceased.
- 24) CREMATORY: A structure containing a furnace or retort used or intended to be used for the cremation of human remains.
- 25) CREMATORY AUTHORITY: Any person (as defined) that owns or controls a crematory.
- 26) CREMATORY OPERATOR: Any person (as defined) who conducts or performs a cremation.
- 27) DEATH CERTIFICATE: A legal document containing vital statistics pertaining to the life and death of the deceased.
- 28) DECEASED/DECEDENT: One who is no longer living.
- 29) DEDICATION: The process by which a legal description of a cemetery site is filed with a declaration that the property is to be used exclusively for cemetery purposes.
- 30) DIRECT DISPOSITION: Any final disposition of human remains, without formal viewing, visitation, or ceremony with the body present.
- 31) DIRECT DISPOSER: A person (as defined) authorized by law to practice direct disposition.
- 32) DISINTERMENT: The act of removing human remains that have been interred.
- 33) EMBALMER: One authorized by law to engage in embalming.
- 34) EMBALMING: A procedure whereby human remains are chemically treated by injection for temporary preservation including, but not limited to, the act of disinfecting, preserving, and restoring the human remains to a natural life-like appearance.
- 35) ENCASEMENT: The placement of the human remains in a rigid container, including but not limited to, a casket or urn.
- 36) ENDOWMENT CARE: The maintenance and repair of all places in the cemetery, subject to the rules and regulations of the cemetery authority; may be known also as endowed care, perpetual care, improvement care, permanent care, etc.

- 37) ENDOWMENT CARE TRUST FUND: An irrevocable trust fund set aside by law with a trustee, with the income therefrom to provide for the endowment care of the cemetery.
- 38) ENTOMBMENT: The act of placing human remains in a mausoleum crypt.
- 39) FINAL DISPOSITION: The lawful disposal of human remains whether by interment, burial at sea, scattering, etc.
- 40) FUNERAL: The rites held commemorating the deceased with the human remains present.
- 41) FUNERAL DIRECTING: The act of conducting funerals and counseling with survivors and preparing human remains, other than by embalming, for the interment or other means of disposition, and may include the management and supervision of all operations in a funeral establishment, which may or may not include the practice of embalming.
- 42) FUNERAL DIRECTOR: One authorized by law to engage in funeral directing.
- 43) FUNERAL ESTABLISHMENT: A place of business used in the care, planning, and preparation for final disposition or transportation of human remains, or any place where one or more are engaged and represent themselves to be engaged in the business of embalming or funeral directing.
- 44) GRAVE SPACE: A space of ground in a cemetery that is used or intended to be used for in ground burial.
- 45) GUARANTEED PRICE PREPAID CONTRACT: A prepaid contract whereby the seller agrees to receive from the purchaser a definite purchase price as payment in full.
- 46) HOLDING FACILITY: An area within or adjacent to the crematory, which is a facility designated for the temporary retention of human remains prior to the cremation.
- 47) HUMAN REMAINS: The body of a decedent and includes the body in any stage of decomposition and cremated remains.
- 48) INTERMENT: The final disposition of human remains by burial, entombment, or inurnment.
- 49) INTERMENT RIGHT: The right to inter human remains in a particular interment space in the cemetery.
- 50) INTERMENT RIGHT OWNER: The person (as defined) who lawfully possess an interment right.
- 51) INTERMENT SPACE: A space intended for the final disposition of human remains including, but not limited to, a grave space, mausoleum crypt, niche, and below-ground crypt.
- 52) INURNMENT: The act of placing cremated remains in a receptacle including, but not limited to, an urn and depositing it in a niche.
- 53) MAUSOLEUM: A chamber or structure used or intended to be used for entombment.
- 54) MAUSOLEUM CRYPT: A chamber of a mausoleum of sufficient size for entombment of human remains.
- 55) MEMORIAL: Any product, other than a mausoleum or columbarium, used for identifying an interment space or for commemoration of the life, deeds, or career of some decedent including, but not limited to, a monument, marker, niche plate, urn garden plaque, crypt plate, cenotaph, marker bench, and vase.

- 56) **MEMORIAL CARE:** Any care provided or to be provided for the general maintenance of memorials including, but not limited to, resetting or repairing or replacing damaged memorials.
- 57) **MEMORIAL RETAILER:** Any person (as defined) offering or selling memorials retail to the public; may also be known as a memorial retailer.
- 58) **MEMORIAL SERVICE:** A ceremony commemorating the deceased without the human remains present.
- 59) **MEMORIALIZATION:** Any permanent system designed to mark or record the names and other data pertaining to a decedent.
- 60) **MERCHANDISE:** Any personal property offered or sold by any seller for use in connection with the funeral, final disposition, memorialization, or interment of human remains, but which is exclusive of interment rights.
- 61) **NICHE:** A space usually within a columbarium used or intended to be used for inurnment of cremated remains.
- 62) **NON-GUARANTEED PRICE PREPAID CONTRACT:** A prepaid contract whereby the seller reserves the right to assess additional fees in the future over and above the purchase price stated in the prepaid contract.
- 63) **OPENING AND CLOSING:** The process of making an interment including, but not limited to, administrative, clerical, legal, and mechanical services performed by the cemetery authority in conjunction with the opening of an interment space, in preparation for the interment of human remains, and the subsequent closing of the interment space after the interment has been performed.
- 64) **OUTER BURIAL CONTAINER:** A container which is designed for placement in the grave space around the casket or the urn including, but not limited to, containers commonly known as burial vaults, grave boxes, and grave liners.
- 65) **PERSON:** Any individual, firm, corporation, partnership, joint venture, limited liability company, association, trustee, government or governmental subdivision, agency, or other entity, or combinations thereof.
- 66) **PREARRANGEMENT:** The term applied to completing the details for selection of merchandise or services on a preneed basis, which may or may not include provisions for pre-funding or prepayment.
- 67) **PREDEVELOPED:** Designated areas or buildings within a cemetery that have been mapped and planned for future construction but are not yet completed.
- 68) **PREDEVELOPED INTERMENT SPACE:** An interment space that is planned for future construction but is not yet completed.
- 69) **PREDEVELOPED INTERMENT SPACE TRUST FUND:** The funds required by law to be held in trust until the predeveloped interment spaces are completed.
- 70) **PRE-FUND:** The term applied to completing the financial details of a prearrangement, which include provisions for funding or prepayment.
- 71) **PRENEED:** Any time prior to death.
- 72) **PREPAID CONTRACT:** A written contract to purchase merchandise or services from the seller on a preneed basis.
- 73) **PREPAID CONTRACT TRUST FUND:** The funds received pursuant to a prepaid contract which are required by law to be held in trust until the merchandise or services

purchased pursuant to such contract are delivered or provided or until otherwise lawfully withdrawn.

- 74) PRE-PLAN: The term applied to prearrangements that do not include provisions for funding or prepayment.
- 75) PROVIDER: A person (as defined), who may or may not be the seller, who will actually provide the merchandise and services under the terms of a pre-funded prearrangement.
- 76) PURCHASE PRICE: The amount paid by the purchaser for merchandise and services purchased under a prepaid contract, exclusive of finance charges, sales tax, charges relating to interment rights, arrangement conference fees, or charges for credit life insurance.
- 77) PURCHASER: The person (as defined) who purchases a prepaid contract either on its behalf or on behalf of a third party beneficiary.
- 78) REGULATORY AUTHORITY: The person (as defined) empowered by law with statutory oversight.
- 79) REINTERMENT: The act of interring human remains that have been disinterred.
- 80) RESIDUE: Cremated remains, which are imbedded in cracks and uneven spaces of the cremation chamber or in the cremated remains container, that cannot be removed through reasonable manual contact with sweeping or scraping equipment. Materials left in the cremation chamber after completion of the cremation or in the cremated remains container that can be reasonably removed should be considered in excess of residue.
- 81) SCATTERING: The final disposition of cremated remains by lawful dispersion.
- 82) SELLER: Any person (as defined) offering or selling merchandise or services on a preneed basis including, but not limited to, funeral establishments, cemetery authorities, crematory authorities, memorial retailers, direct disposers, etc.
- 83) SERVICES: Any services which may be used to care for and prepare human remains for burial, cremation, or other final disposition; and arrange, supervise, or conduct the funeral ceremony or the final disposition of human remains.
- 84) SOLICITATION: Contact by a seller to a prospective purchaser for the purpose of selling merchandise or services on a preneed basis.
- 85) SPECIAL CARE: Any care provided or to be provided, that is supplemental to or in excess of endowment care, in accordance with the specific directions of any donor of funds for such purposes.
- 86) SUCCESSOR-IN-INTEREST: A person (as defined) who lawfully follows another in ownership or control of property or rights.
- 87) TRUSTEE: Any person (as defined), state or national bank, trust company, or federally insured savings and loan lawfully appointed as fiduciary over funds deposited by one or more purchasers of a prepaid contract or deposited pursuant to an endowment care trust fund; not be confused with a board of trustees.
- 88) UNCLAIMED CREMATED REMAINS: Cremated remains which are unclaimed for a prescribed period of time from the cemetery authority, crematory authority, direct disposer, or funeral establishment.
- 89) URN: A receptacle for the encasement of cremated remains.

NOTE: Where terms used herein have been defined by the Federal Trade Commission, under the Funeral Industry Practices Trade Regulation Rule (16 CFR 453), those

definitions are contained in the "Glossary of Terms" and have been adapted where applicable.

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STAFF REPORT

**TO: Mayor McLean and Members of City Council
Through City Manager Manuel Esquibel**

FROM: Bernadette Kimmey, Budget/Policy Director

DATE: February 25, 2014

REQUESTED ACTION: Approve Amendments to 2014 Budget

PURPOSE: To amend the 2014 Budget.

BACKGROUND/HISTORY:

Capital projects that were not completed by 12/31/2013 need to be re-budgeted in 2014 so the projects can be completed. Also, money earmarked for a specific purpose that was not completed in 2013 needs to be re-budgeted. This Budget amendment formalizes the action necessary to amend the 2014 Budget.

CRITERIA BY WHICH COUNCIL MUST CONSIDER THE ITEM:

All re-budgets of prior year's incomplete projects, and all budget amendments, must be made by a Supplemental Budget Appropriation as the money lapsed into Fund Balance 12/31/2013.

BUDGET IMPACT:

There is money available in the various Funds to cover the proposed budget amendments. No new money is being requested.

OPTIONS FOR COUNCIL'S CONSIDERATION:

Approve the budget amendments as presented, amend or deny.

STAFF RECOMMENDATIONS:

Below are the recommended increases to the 2014 Budget.

General Fund:

1. Eye for Art donations and commissions – \$1,667
2. Special Events - \$8,808
3. Youth Commission donations - \$12,677
4. Community Dev. Engr. Professional Services - \$75,336
5. Community Development Planning/Zoning Professional Services- \$52,765
6. Parks & Rec. Admin. Professional services - \$6,000
7. Parks Maintenance playground repairs - \$750
8. Streets/Fleet Admin. Professional Services - (Tower Rd./Southern St. Design/Engr.) - \$189,796

Lottery Fund:

1. Benedict Park Restroom - \$52,000

Cemetery Fund:

1. Cemetery Management Plan - \$3,333

Capital Improvement Fund:

1. Cemetery improvements - \$8,071
2. Hwy. 85 monument signs - \$140,880
3. Hwy. 85 landscape design - \$70,000
4. Historic City Hall projects - \$75,926
5. New City Hall projects - \$67,832
6. CDBG New City Hall ADA Restrooms - \$500,000
7. CDBG BHA Berry House - \$40,000
8. CDBG Almost Home - \$50,000
9. CDBG ADA Sidewalk Accessibility - \$90,000
10. Police Bldg. projects - \$37,812
11. Old Sr. Center projects - \$43,807
12. 50/50 Sidewalk program – \$9,645
13. I-76/Bridge St. Interchange – \$492,765
14. Regulatory Sign replacement - \$1,744
15. Traffic signals - \$284,156
16. Bromley Ln./Main St. - \$4,542,575
17. Truck Route signs – \$5,000
18. Strong St. Parking Lot - \$5,000
19. Streets Seal Coat and Overlay - \$191,625
20. 40th Ave. & Southern St. road improvements - \$1,364,392
21. Street Resurface repairs - \$7,874
22. Signal Pole maintenance - \$14,615
23. Mag. Chloride Tank improvements - \$3,500
24. Streets equipment - \$25,964
25. Fleet vehicles - \$115,534
26. Police equipment - \$11,995
27. IT equipment - \$30,000

Parks & Recreation Capital Improvement Fund:

1. Eagle View Park construction – \$1,500
2. Bromley/Hishinuma Farm – \$132,191
3. Ball Field maintenance - \$6,185
4. Park signs - \$20,000
5. Ken Mitchell Fishing Pier - \$180,000
6. Benedict Park splash pad - \$95,796
7. Cole House repairs - \$46,963
8. Malcom Park playground - \$19,000

Water/Wastewater/Storm Drainage Funds:

Water:

1. RO Brine treatment – \$393,897
2. 148th augmentation line – \$938,441
3. K Mitchell Lakes Cell 1 – \$1,000,000
4. K Mitchell-Ergers Equalization Line – \$600,000
5. Ergers Pond outfitting – \$187,284
6. K Mitchell security fencing – \$10,000
7. Well 11 inspection – \$12,000
8. Water line replacement – \$50,884
9. N Storage Tank security and inspection - \$27,000
10. Raw Water pipe valve replacement - \$14,075
11. Metro Pumping IGA - \$1,684,104
12. Fire hydrants - \$18,053
13. Northern Water Resource study - \$28,841

Wastewater:

1. Manhole repairs - \$350,000
2. Sewer pipe repair – \$1,113,759
3. Raw Sewage pump and motor replace - \$25,500

Storm Drainage:

1. South Outfall Neighborhood improvements – \$6,829
2. North Outfall Neighborhood improvements - \$44,952
3. South Outfall – Sable to Buckley - \$10,000

STAFF REPORT

To: Mayor McLean and Members of the City Council through City Manager, Manuel Esquibel
From: Dan Frelund, Finance Director
Date: February 19, 2014
Subject: Approve amendments to 2014 Budget

PURPOSE: To amend the 2014 Budget.

BACKGROUND/HISTORY: The Benefits Fund was created at the end of 2013 and initial reserves were transferred in from the General Fund totaling \$425,000. The 2014 adopted budget included the costs of City provided medical benefits in the departmental budgets. At the time of the budget preparation, the new fund was not setup and thus the revenues and expenditures for this fund were not budgeted. This amendment provides for the anticipated revenues and expenditures for the medical benefits program.

CRITERIA BY WHICH COUNCIL MUST CONSIDER THE ITEM: All changes to the adopted budget must be made by a Supplemental Budget Appropriation or a Budget Re-Appropriation resolution.

BUDGET IMPACT: There is money available in the various Funds to cover the proposed budget amendments.

OPTIONS FOR COUNCIL'S CONSIDERATION: Approve the budget amendments as presented, amend or deny.

STAFF RECOMMENDATIONS: Approve the following budget amendments:

Benefits Fund:

Revenues:

Charged to Department Budgets and Employees	\$2,710,000
Transfer from Fund Balance	<u>190,000</u>
Total	2,900,000

Expenditures:

Medical Claims	\$2,300,000
Contract Administration	190,000
Stop Loss Insurance	350,000
ACA Fees/Wellness Incentives	<u>60,000</u>
Total	2,900,000

CITY OF BRIGHTON, COLORADO

A RESOLUTION PROVIDING FUNDS FOR A 2014 SUPPLEMENTAL BUDGET APPROPRIATION IN THE AMOUNT OF TWO MILLION NINE HUNDRED THOUSAND DOLLARS (\$2,900,000) FOR THE REVENUES/EXPENDITURES FOR THE BENEFITS FUND.

Resolution No. _____

WHEREAS, authority is granted by sections 29-1-109 and 29-1-111 of the Colorado Revised Statutes and Section 10.12 of the City of Brighton, Colorado Charter to amend the adopted budget for the current fiscal year; and

WHEREAS, those adjustments to the 2014 Budget which are necessary for the 2014 City operations could not have been reasonably foreseen at the time of the adoption of the 2014 Budget; and

WHEREAS, the City Council has been advised by the City Manager that the revision to the 2014 Budget as contained within this resolution can adequately be implemented as set forth herein.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brighton, Colorado that:

The Benefits Fund be increased from \$0 to \$2,900,000 in the following accounts:

Revenues:

Charged to Department Budgets and Employees	\$2,710,000
Transfer from Fund Balance	<u>190,000</u>
Total	2,900,000

Expenditures:

Medical Claims	\$2,300,000
Contract Administration	190,000
Stop Loss Insurance	350,000
ACA Fees/Wellness Incentives	<u>60,000</u>
Total	2,900,000

ADOPTED this _____ day of _____, 2014.

CITY OF BRIGHTON, COLORADO

Richard N. McLean, Mayor

ATTEST:

Natalie Hoel, City Clerk

APPROVED AS TO FORM:

Margaret R. Brubaker, City Attorney

Department of Utilities

STAFF REPORT

**Reference: Project #12-029 Design Services for Fluidized Bed Denitrification
Change Order No. 1.**

To: Mayor Richard N. McLean and Members of City Council
Through: Manuel Esquibel, City Manager

☐ Study Session Date: _____ ☐ Regular Council Agenda Date: _____
☐ City Attorney Approval _____ ☐ City Manager Approval: _____
☐ Finance Director Approval: _____

Prepared By: Dennis Crock, Utility Engineer

Through: Clint Blackhurst, Police Chief

Date Prepared: February 18, 2014

PURPOSE

City Council consideration of Change Order No. 1 for Project #12-029 Design Services for Fluidized Bed Denitrification.

BACKGROUND

The City of Brighton Water Treatment Facility utilizes Reverse Osmosis Technology (RO). This technology is utilized to reduce the high Nitrate levels contained in the raw water being pumped from the South Platte Alluvium. A by-product of RO treatment is a concentrate stream containing a concentration of the constituents that are removed from the raw water. Since the RO Plant concentrate discharges to the South Platte River, the City of Brighton applied for and was issued a General Discharge Permit on April 15, 1992. This permit set limits on several constituents of the concentrate. Our general permit expired 11/30/2007 and was not renewed by the Colorado Department of Public Health and Environment (CDPHE). The City of Brighton was issued an Individual Permit. This permit set limits on a number of additional constituents. The only constituent currently in excess of permit limits is Total Inorganic Nitrogen and the City of Brighton was issued a compliance schedule by CDPHE to comply with this constituent limit by September 30, 2015.

Because Fluidized Bed Denitrification is typically used for nitrate removal from wastewater, treatment of RO concentrate by Fluidized Bed Denitrification is uncommon. Utility staff decided that bench scale pilot testing of the treatment process for the RO plant concentrate was desirable to confirm that the Fluidized Bed Denitrification process could reduce nitrate concentration to the required level. Envirogen Technologies were chosen as the sole source vendor for the Fluidized Bed Denitrification equipment and they also furnished the rental pilot bench testing equipment. The cost of the added scope for pilot bench testing was \$46,000 bringing the total negotiated contract cost to \$224,300. The contract for Project #12-029

Design Services for Fluidized Bed Denitrification was awarded to JVA, Incorporated in September, 2012.

Based on the bench testing results Envirogen Technologies recommended additional equipment and more complex process changes resulted in significant changes and upgrading of the overall design of the denitrification plant.

Change Order No. 1 includes extended time for pilot bench testing and completion of the design of the Fluidized Bed Denitrification Plant. The cost of Change Order No. 1 is \$31,611.00 and would increase the contract amount to \$255,911.

FINANCIAL IMPACT

Funding for this project is available from the rollover of the 2013 Capital Improvement Budget for RO Brine Treatment. \$393,897 is available in the Capital Fund account No. 50.30.7930.97030 for this work.

OPTIONS FOR CITY COUNCIL CONSIDERATION

The Council may take any of the following actions on the proposed project:

1. Authorize the City manager to approve Change Order No. 1 for Change Order No. 1 for \$31,611.00.
2. Reject Change Order No. 1.
3. Postpone consideration of Change Order No. 1.

STAFF RECOMMENDATION

The design of the denitrification plant is at approximately 85%, and it is in the interest of the City to complete design. Expenditures for the project design are currently at the contract amount of \$224,300.

Therefore staff recommends approval of Change Order No. 1 to complete design of Project # 12-029 Design Services for Fluidized Bed Denitrification in the amount of \$31,611.00.

ATTACHMENTS



JVA, Incorporated
1319 Spruce Street
Boulder, CO 80302
Ph: 303.444.1951
Fax: 303.444.1957
Toll Free: 877.444.1951

Web site:
www.jvajva.com

E-mail:
info@jvajva.com

January 28, 2014

Mr. James Landeck, Utilities Director
City of Brighton
500 S. 4th Avenue
Brighton, CO 80601

Reference: Fluidized Bed Reactor (FBR) Denitrification - Additional Design Services
JVA Project No. 2024c

Dear Jim:

The size and complexity of project for the Fluidized Bed Reactor (FBR) Denitrification process addition at the City of Brighton Water Treatment Plant (WTP) has expanded, and JVA has been required to provide additional services outside our currently approved scope of work. These additional services are associated with extending the bench scale testing, and extra coordination and design efforts required to bring the original scope depicted in the Request for Proposal into reality. The bench scale testing timeline was extended over a month to collect additional data and perform other operating scenarios. Subsequent equipment sizing and scope recommendations were modified by Envirogen Technologies (Envirogen) due to the bench scale test findings that both JVA and City staff have reviewed and concur.

The required level of nitrate removal, from feed concentrations of over 80 mg/l to effluent values below 10 mg/l, is challenging for any treatment process. After the bench scale testing was performed by JVA and the City on the previously recommended Envirogen FBR, there were several process additions that were not anticipated in our original design proposal efforts. For example, Envirogen now recommends that two FBR units are required to make sure effluent limits are met with the high nitrate concentrations being fed to the system. Process changes increased the cost of the FBR equipment alone from \$800,000 to \$1,700,000, and increases the tankage, pump skids, and overall process piping complexity. These recommended process changes have also caused structural design changes, and expansion of both the building and electrical/controls design efforts. JVA has also continued to coordinate and negotiate on behalf of the City for the sole source equipment procurement from Envirogen.

Please note that JVA had to rely on previous studies by others, our knowledge of similar projects and vendors, and understanding of City budgets to estimate reasonable levels of effort in our design service proposal. We could not prepare our proposal based on obtaining proprietary vendor information for the process that had not yet been designed. As you know this project is unique in scope, and therefore was difficult to put a simple dollar per gallon estimate on the projected construction cost. We have made every effort to try to hold to the lower project budget, but the complexity of treatment process and equipment, the needs of operations staff, and requirements of providing a code compliant building have forced this project budget higher.

We feel strongly that the much larger construction scope and value for the City project warrants increased design fees from the original amount of \$178,300. For design fees alone, without construction services, the amount is typically over 9%, and JVA currently only has a contract for about 3.6% of the value of the \$5M construction project. We believe we have summarized areas

that are significantly out of our original scope and have itemized the appropriate effort involved for each as follows:

- Extension of bench scale testing time and technical support
- Complexity, size, and scope of sole-sourced fluidized bed reactor system

These items are further detailed in the Attachment 1 and summarized below.

Task 1 - Extension of bench scale testing	\$ 5,979
Task 2 - FBR size and scope design	\$ 25,632
TOTAL REQUESTED	\$ 31,611

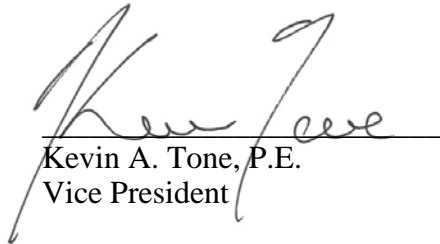
JVA's original design contract, which included bench scale testing rental equipment and technical support, was approved by City Council in the amount of \$224,300. This request would increase the contract amount to \$255,911. Upon receiving your approval, JVA will continue to bill on a time and material basis. Please note that this proposed fee increase does not include bid phase services beyond technical questions.

We understand that this amount of additional services requires action by the City Council, and we would be willing to assist in presenting to Council and further explain the project complexity and scope requested changes.

We appreciate the opportunity to continue to serve the City for a successful completion of this project. If you have any questions about this letter, or the detailed description of the additional scope, please do not hesitate to contact Mark Van Nostrand or myself.

Sincerely,
JVA, Incorporated

By:



Kevin A. Tone, P.E.
Vice President

Attachment 1 Scope and Manpower Estimate

Task 1 Bench Scale Test and Technical Support

1. The time for the bench scale test was extended for approximately 4 weeks into mid-February 2013. JVA continued to provide technical assistance, data review, and project management services to support bench scale testing during this period. JVA also completed a review and letter of recommendation for sole sourcing the Envirogen FBR equipment. This was required in order for Envirogen to release any specific design information needed to complete the preliminary design.
2. The bench scale rental price increased to include payment of combined 8.5% sales tax by Envirogen to State, Adams County, and the City of Brighton. This cost increased the JVA rental agreement with Envirogen by \$1,955. Sales tax exemption for this rental unit was not allowed.

Personnel	Hourly Rate	Hours	Amount
Kevin Tone	\$156	2	\$ 312
Mark Van Nostrand	\$128	16	\$2,048
Angela Kana	\$104	16	\$1,664
Rental unit taxes	--	--	\$1,955
Total			\$5,979.00

Task 2 Envirogen Fluidized Bed Sole Source Procurement and Design Scope Changes

1. Due to increases in the Envirogen scope, size and complexity of their sole source equipment, JVA has expended more time to obtain proprietary design information from the vendor, and increased design iterations to modify and adjust the 30% and 60% design submittals, as specific information has become available. JVA has requested, obtained, and reviewed two revised Envirogen sole source purchase quotations with terms and conditions so the vendor equipment package can be properly integrated into the overall bid package with a General Contractor.

Personnel	Hourly Rate	Hours	Amount
Kevin Tone	\$160	12	\$1,920
Mark Van Nostrand	\$132	80	\$10,560
Russ Sasakura	\$120	30	\$3,600
Laura Coates	\$112	20	\$2,240
Leanne Miller	\$100	40	\$4,000
Jon Driggers	\$92	36	\$3,312
Total			\$25,632.00